Department of Social Services
MO HealthNet Division

Fiscal Year 2014 Budget Request

Alan O. Freeman, Director

Printed with Governor's Recommendations

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Mo HealthNet Division
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Governors Recommendation Summary

Decision Item Name	2014 Department Request					2014 Governor Recommendation				
	FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
MO HealthNet Administration										
Core	227.11	3,512,059	8,365,300	2,250,094	14,127,453	227.11	3,512,059	8,365,300	2,250,094	14,127,453
Pay Plan CTC	0.00	1,919	3,522	1,210	6,651	0.00	1,919	3,522	1,210	6,651
Pay Plan Cola		0	0	0	0		24,960	45,834	15,133	85,927
Pay Plan Nurses		0	0	0	0		3,947	7,301	2,724	13,972
NDI Sustaining MHD Technology	7.00	112,500	322,500	0	435,000	7.00	0	322,500	112,500	435,000
Total	227.11	3,626,478	8,691,322	2,251,304	14,569,104	234.11	3,542,885	8,744,457	2,381,661	14,669,003
Clinical Services Program Management										
Core	0.00	483,913	12,215,288	5,085,730	17,784,931	0.00	483,913	12,215,288	5,085,730	17,784,931
Total	0.00	483,913	12,215,288	5,085,730	17,784,931	0.00	483,913	12,215,288	5,085,730	17,784,931
Women & Minority Health Care Outreach										
Core	0.00	546,125	568,625	0	1,114,750	0.00	546,125	568,625	0	1,114,750
Total	0.00	546,125	568,625	0	1,114,750	0.00	546,125	568,625	0	1,114,750
TPL Contracts										
Core	0.00	0	3,000,000	3,000,000	6,000,000	0.00	0	3,000,000	3,000,000	6,000,000
Total	0.00	0	3,000,000	3,000,000	6,000,000	0.00	0	3,000,000	3,000,000	6,000,000
Information Systems										
Core	0.00	4,838,940	32,880,170	0	37,719,110	0.00	4,838,940	32,880,170	0	37,719,110
NDI Sustaining MHD Technology	0	2,021,687	6,695,180	0	8,716,867	0	0	6,695,180	2,021,687	8,716,867
Total	0.00	6,860,627	39,575,350	0	46,435,977	0.00	4,838,940	39,575,350	2,021,687	46,435,977
Electronic Health Records Incentives										
Core	0.00	0	100,000,000	0	100,000,000	0.00	0	100,000,000	0	100,000,000
Total	0.00	0	100,000,000	0	100,000,000	0.00	0	100,000,000	0	100,000,000
Money Follows the Person										
Core	0.00	0	532,549	0	532,549	0.00	0	532,549	0	532,549
Total	0.00	0	532,549	0	532,549	0.00	0	532,549	0	532,549
Adult Medicaid Grant										
NDI	0.00	0	1,000,000	0	1,000,000	0.00	0	1,000,000	0	1,000,000
Total	0.00	0	1,000,000	0	1,000,000	0.00	0	1,000,000	0	1,000,000

Decision Item Name	2014 Department Request					2014 Governor Recommendation				
	FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Pharmacy										
Core	0.00	66,738,428	580,702,050	274,297,399	921,737,877	0.00	66,238,428	579,409,452	274,297,399	919,945,279
NDI GR Pickup		1,022,680	0	0	1,022,680		1,022,680	0	0	1,022,680
NDI Pharmacy PMPM		10,042,070	32,211,500	10,042,070	52,295,640		2,243,940	19,560,947	9,968,996	31,773,883
FMAP Adjustment							1,292,598	0	0	1,292,598
Foster Children Medicaid							0	665,116	0	665,116
Transitional Medicaid							(1,943,205)	0	(4,779,371)	(6,722,576)
Increase Medicaid Child Participation							925,205	5,194,307	2,276,686	8,396,198
Total	0.00	77,803,178	612,913,550	284,339,469	975,056,197	0.00	69,779,646	604,829,822	281,763,710	956,373,178
Pharmacy - Medicare Part D Clawback										
Core	0.00	193,470,530	0	0	193,470,530	0.00	193,470,530	0	0	193,470,530
NDI Clawback Premium Increase		5,408,669	0	0	5,408,669		7,010,215	0	0	7,010,215
Total	0.00	198,879,199	0	0	198,879,199	0.00	200,480,745	0	0	200,480,745
Missouri Rx Plan										
Core	0.00	0	0	17,383,045	17,383,045	0.00	0	0	17,383,045	17,383,045
NDI GR Pickup		7,002,498	0	0	7,002,498		6,370,046	0	0	6,370,046
Total	0.00	7,002,498	0	17,383,045	24,385,543	0.00	6,370,046	0	17,383,045	23,753,091
Pharmacy FRA										
Core	0.00	0	0	108,308,926	108,308,926	0.00	0	0	108,308,926	108,308,926
Total	0.00	0	0	108,308,926	108,308,926	0.00	0	0	108,308,926	108,308,926
GR Pharmacy FRA Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
NDI Transfer Authority Increae		0	0	0	0		0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
Pharmacy FRA Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
NDI Transfer Authority Increae		0	0	0	0		0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0

Decision Item Name	2014 Department Request					2014 Governor Recommendation				
	FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Physician Related										
Core	0.00	203,716,460	405,021,427	7,478,115	616,216,002	0.00	209,577,944	413,910,865	7,478,115	630,966,924
NDI Crossing Issue- Medicaid Primary Care CTC		0	36,785,727	0	36,785,727		0	36,785,727	0	36,785,727
NDI GR Pickup		1,906,107	0	0	1,906,107		1,906,107	0	0	1,906,107
FMAP Adjustment							619,431	0	0	619,431
Foster Children Medicaid							0	778,800	0	778,800
Transitional Medicaid							(6,115,458)	0	(41,392)	(6,156,850)
Increase Medicaid Child Participation							2,622,058	4,281,048	16,878	6,919,984
Total	0.00	205,622,567	441,807,154	7,478,115	654,907,836	0.00	208,610,082	455,756,440	7,453,601	671,820,123
Dental										
Core	0.00	6,783,972	12,609,934	919,935	20,313,841	0.00	5,400,793	10,360,827	919,935	16,681,555
FMAP Adjustment							5,227	0	0	5,227
Foster Children Medicaid							0	41,904	0	41,904
Transitional Medicaid							(87,264)	0	0	(87,264)
Increase Medicaid Child Participation		0	0	0	0		120,979	196,261	0	317,240
Total	0.00	6,783,972	12,609,934	919,935	20,313,841	0.00	5,439,735	10,598,992	919,935	16,958,662
Premium Payments										
Core	0.00	66,023,871	112,862,413	0	178,886,284	0.00	66,023,871	112,312,176	0	178,336,047
NDI Medicare Premium Increase		1,478,583	2,472,915	0	3,951,498		1,035,668	1,790,778	0	2,826,446
FMAP Adjustment		0	0	0	0		550,237	0	0	550,237
Total	0.00	67,502,454	115,335,328	0	182,837,782	0.00	67,609,776	114,102,954	0	181,712,730
Nursing Facilities										
Core	0.00	140,444,904	342,117,357	70,262,188	552,824,449	0.00	137,907,425	337,866,877	70,262,188	546,036,490
FMAP Adjustment							134,022	0	0	134,022
Transitional Medicaid							(74,280)	0	(54,911)	(129,191)
Nursing Facility Rate Increase		0	0	0	0		0	19,378,254	11,945,199	31,323,453
Total	0.00	140,444,904	342,117,357	70,262,188	552,824,449	0.00	137,967,167	357,245,131	82,152,476	577,364,774
Home Health										
Core	0.00	2,649,210	4,560,981	159,305	7,369,496	0.00	2,303,861	3,998,892	159,305	6,462,058
FMAP Adjustment							1,842	0	0	1,842
Increase Medicaid Child Participation		0	0	0	0		10,818	17,550	0	28,368
Total	0.00	2,649,210	4,560,981	159,305	7,369,496	0.00	2,316,521	4,016,442	159,305	6,492,268
PACE										
Core	0.00	2,544,136	4,131,587	0	6,675,723	0.00	2,544,136	4,129,886	0	6,674,022
FMAP Adjustment							1,701	0	0	1,701
Total	0.00	2,544,136	4,131,587	0	6,675,723	0.00	2,545,837	4,129,886	0	6,675,723

Decision Item Name	2014 Department Request					2014 Governor Recommendation				
	FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Long Term Support UPL Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
Long Term Support Payments										
Core	0.00	0	28,383,118	17,511,994	45,895,112	0.00	0	28,383,118	17,502,101	45,885,219
FMAP Adjustment							0	9,893	0	9,893
Total	0.00	0	28,383,118	17,511,994	45,895,112	0.00	0	28,393,011	17,502,101	45,895,112
Rehab & Specialty Services										
Core	0.00	85,826,090	159,701,775	12,582,499	258,110,364	0.00	85,625,679	159,701,775	12,582,499	257,909,953
NDI Hospice Rate Increase		127,312	202,257	0	329,569		125,681	203,888	0	329,569
FMAP Adjustment							0	200,411	0	200,411
Foster Children Medicaid							0	60,720	0	60,720
Ambulance Reimbursement Allowance							0	0	6,820,250	6,820,250
Transitional Medicaid							(586,652)	0	(7,126)	(593,778)
Increase Medicaid Child Participation							288,308	473,394	3,503	765,205
Nursing Facility Rate Increase							0	1,524,861	939,957	2,464,818
Total	0.00	85,953,402	159,904,032	12,582,499	258,439,933	0.00	85,453,016	162,165,049	20,339,083	267,957,148
NEMT										
Core	0.00	11,579,111	25,264,383	0	36,843,494	0.00	11,579,111	25,256,787	0	36,835,898
FMAP Adjustment							7,596	0	0	7,596
NEMT Increase							1,754,210	2,845,790	0	4,600,000
Foster Children Medicaid							0	12,437	0	12,437
Transitional Medicaid							(8,510)	0	0	(8,510)
Increase Medicaid Child Participation							18,462	29,950	0	48,412
Total	0.00	11,579,111	25,264,383	0	36,843,494	0.00	13,350,869	28,144,964	0	41,495,833
Ambulance SRV Reim. Allow Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
GR Ambulance SRV Reim. Allow Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0

Decision Item Name	2014 Department Request					2014 Governor Recommendation				
	FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Managed Care										
Core	0.00	292,783,031	705,693,852	108,861,065	1,107,337,948	0.00	286,921,547	692,261,365	111,861,065	1,091,043,977
NDI Crossing Issue- Medicaid Primary Care CTC		0	15,765,311	0	15,765,311		0	15,765,311	0	15,765,311
NDI GR Pickup		19,928,435	0	0	19,928,435		16,928,435	0	0	16,928,435
NDI Managed Care Inflation		23,965,106	38,435,898	0	62,401,004		15,991,462	32,581,900	4,092,766	52,666,128
FMAP Adjustment							3,923,618	0	0	3,923,618
Foster Children Medicaid							0	3,741,924	0	3,741,924
Transitional Medicaid							(3,517,528)	0	(1,225,502)	(4,743,030)
Increase Medicaid Child Participation							7,113,282	15,563,308	2,480,299	25,156,889
Total	0.00	336,676,572	759,895,061	108,861,065	1,205,432,698	0.00	327,360,816	759,913,808	117,208,628	1,204,483,252
Hospital Care										
Core	0.00	21,998,624	513,860,249	260,400,550	796,259,423	0.00	21,998,624	509,274,638	260,400,550	791,673,812
NDI GR Pickup		15,546,763	0	0	15,546,763		3,546,763	0	12,000,000	15,546,763
FMAP Adjustment							4,585,611	0	0	4,585,611
Foster Children Medicaid							0	1,264,059	0	1,264,059
Transitional Medicaid							(3,494,069)	0	(8,907,136)	(12,401,205)
Increase Medicaid Child Participation							658,427	4,520,085	2,127,857	7,306,369
Total	0.00	37,545,387	513,860,249	260,400,550	811,806,186	0.00	27,295,356	515,058,782	265,621,271	807,975,409
Physician Payments for Safety Net										
Core	0.00	0	8,000,000	0	8,000,000	0.00	0	8,000,000	0	8,000,000
Total	0.00	0	8,000,000	0	8,000,000	0.00	0	8,000,000	0	8,000,000
FQHC Distribution										
Core	0.00	4,020,000	10,800,000	0	14,820,000	0.00	4,520,000	10,800,000	0	15,320,000
							250,000	0	0	250,000
Total	0.00	4,020,000	10,800,000	0	14,820,000	0.00	4,770,000	10,800,000	0	15,570,000
IGT Health Care Home										
Core	0.00	0	6,900,000	700,000	7,600,000	0.00	0	6,900,000	700,000	7,600,000
Total	0.00	0	6,900,000	700,000	7,600,000	0.00	0	6,900,000	700,000	7,600,000
Federal Reimbursement Allowance										
Core	0.00	0	0	988,018,734	988,018,734	0.00	0	0	988,018,734	988,018,734
NDI Increase Authority		0	0	34,800,000	34,800,000		0	0	34,800,000	34,800,000
Total	0.00	0	0	1,022,818,734	1,022,818,734	0.00	0	0	1,022,818,734	1,022,818,734
GR NFRA Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
NDI Transfer Authority Increae		0	0	0	0		0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0

Decision Item Name	2014 Department Request					2014 Governor Recommendation				
	FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
Nursing Facility Quality Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
Nursing Facility Reimbursment Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
NDI Transfer Authority Increae		0	0	0	0		0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
IGT Safety Net Hospitals										
Core	0.00	0	129,505,748	70,348,801	199,854,549	0.00	0	129,505,748	70,348,801	199,854,549
Total	0.00	0	129,505,748	70,348,801	199,854,549	0.00	0	129,505,748	70,348,801	199,854,549
IGT DMH Medicaid Programs										
Core	0.00	0	147,553,359	90,858,921	238,412,280	0.00	0	147,553,359	90,858,921	238,412,280
DMH IGT Increased Authority							0	0	0	0
Total	0.00	0	147,553,359	90,858,921	238,412,280	0.00	0	147,553,359	90,858,921	238,412,280
Women's Health Services										
Core	0.00	1,845,337	8,791,150	216,790	10,853,277	0.00	997,457	8,791,150	216,790	10,005,397
NDI GR Pickup		235,900	0	0	235,900		235,900	0	0	235,900
NDI Pharmacy PMPM		25,687	231,184	0	256,871		25,687	231,184	0	256,871
FMAP Adjustment							0	42,747	0	42,747
Transitional Medicaid							(428,514)	(4,225,466)	(93,735)	(4,747,715)
Women Services Adj for Medicaid							(261,587)	751,157	0	489,570
Total	0.00	2,106,924	9,022,334	216,790	11,346,048	0.00	568,943	5,590,772	123,055	6,282,770
CHIP										
Core	0.00	27,758,255	130,434,010	16,991,479	175,183,744	0.00	27,513,233	130,434,010	16,991,479	174,938,722
NDI GR Pickup		2,549,801	0	0	2,549,801		2,549,801	0	0	2,549,801
NDI Pharmacy PMPM		355,769	1,935,353	355,769	2,646,891		355,769	1,935,353	355,769	2,646,891
NDI Managed Care Inflation		1,319,891	3,590,051	0	4,909,942		188,720	306,153	0	494,873
FMAP Adjustment							0	245,022	0	245,022
Total	0.00	31,983,716	135,959,414	17,347,248	185,290,378	0.00	30,607,523	132,920,538	17,347,248	180,875,309
Transitional Medicaid										
Core	0.00	0	0	0	0	0.00	0	0	0	0
Transitional Medicaid		0	0	0	0		0	890,474,624	0	890,474,624
Total	0.00	0	0	0	0	0.00	0	890,474,624	0	890,474,624

Decision Item Name	2014 Department Request					2014 Governor Recommendation				
	FTE	GR	FF	OF	Total	FTE	GR	FF	OF	Total
GR FRA Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
NDI Transfer Authority Increae		0	0	0	0		0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
FRA Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
NDI Transfer Authority Increae		0	0	0	0		0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
IGT Transfer										
Core	0.00	0	0	0	0	0.00	0	0	0	0
NDI Transfer Authority Increae		0	0	0	0		0	0	0	0
Total	0.00	0	0	0	0	0.00	0	0	0	0
Nursing Facility FRA										
Core	0.00	0	0	301,027,717	301,027,717	0.00	0	0	301,027,717	301,027,717
Total	0.00	0	0	301,027,717	301,027,717	0.00	0	0	301,027,717	301,027,717
School District Medicaid Claiming										
Core	0.00	69,954	54,653,770	0	54,723,724	0.00	69,954	54,653,770	0	54,723,724
Total	0.00	69,954	54,653,770	0	54,723,724	0.00	69,954	54,653,770	0	54,723,724
Blind Medical Benefits										
Core	0.00	6,434,619	0	0	6,434,619	0.00	6,434,619	0	0	6,434,619
NDI GR Pickup	0.00	21,678,296	0	0	21,678,296	0.00	21,678,296	0	0	21,678,296
NDI Pharmacy PMPM		642,178	0	0	642,178		642,178	0	0	642,178
Transitional Medicaid							(627,067)	0	0	(627,067)
Total	0.00	28,755,093	0	0	28,755,093	0.00	28,128,026	0	0	28,128,026
MO HealthNet Supplemental Pool										
Core	0.00	0	24,107,486	11,590,596	35,698,082	0.00	0	24,107,486	11,590,596	35,698,082
Total	0.00	0	24,107,486	11,590,596	35,698,082	0.00	0	24,107,486	11,590,596	35,698,082
Total MO HealthNet Core	227.11	1,144,067,569	3,573,216,581	2,368,253,883	7,085,538,033	227.11	1,138,508,249	3,555,174,113	2,371,243,990	7,064,926,352
Total MO HealthNet Transfers	0.00	0	0	0	0	0.00	0	0	0	0
Total MO HealthNet Division	227.11	1,259,439,420	3,712,867,979	2,413,452,932	7,385,760,331	234.11	1,228,135,921	4,620,497,847	2,446,116,231	8,294,749,999

Crossing Issues

Medicaid Primary Rate
Increase

NEW DECISION ITEM
RANK: 6

Department: Social Services | **Budget Unit: 90551C,90544C**
Division: MO HealthNet

DI Name: Medicaid Primary Care Rate Increase Continuation of Core | **DI#: 1886014**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		52,551,038		52,551,038
TRF				
Total		52,551,038		52,551,038
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		52,551,038		52,551,038
TRF				
Total		52,551,038		52,551,038
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion	X	Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Mandatory		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to increase primary care provider reimbursement to reach parity with Medicare rates in 2013 and 2014.

Federal law requires that Medicaid reimburse primary care providers (PCPs) at parity with Medicare rates in 2013 and 2014.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Federal law requires payments for primary care services furnished by a physician with a primary specialty of family medicine, general internal medicine, or pediatric medicine be paid at parity with Medicare beginning January 1, 2013. Covered services are those Evaluation and Management (E&M) codes and immunization services that are covered by Medicare. 100% federal funding is available in CY2013 and CY2014 for the incremental cost of meeting this requirement. The incremental cost is calculated based on the Medicaid rate as of July 1, 2009.

Data was obtained from the MMIS system which provided the CY 2010 number of units, 7/1/09 Medicaid rate and the Medicare rate for the procedure codes which are defined as covered services. The cost to increase the 7/1/09 Medicaid rate to the Medicare rate was determined by taking the difference in the rates and multiplying by the number of units. This cost was inflated by 3.6% annually to arrive at an annual FY 14 cost. In addition, a managed care cost was calculated. The FY 13 budget included 6 months of costs since the rate increase is effective Jnauary 2013. The FY 13 amount is requested in core budget. FY 14 additional cost is projected at $52,551,038.

Department Request

	Total	GR	Federal
Physician	36,785,727	0	36,785,727
Managed Care	15,765,311	0	15,765,311
Total	$52,551,038	$0	$52,551,038

Governor Recommendation

	Total	GR	Federal
Physician	36,785,727	0	36,785,727
Managed Care	15,765,311	0	15,765,311
Total	$52,551,038	$0	$52,551,038

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		52,551,038		0		52,551,038		
Total PSD	**0**		**52,551,038**		**0**		**52,551,038**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**52,551,038**	**0.0**	**0**	**0.0**	**52,551,038**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions			52,551,038				52,551,038		
Total PSD	**0**		**52,551,038**		**0**		**52,551,038**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**52,551,038**	**0.0**	**0**	**0.0**	**52,551,038**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Primary Care Rate Increase Codes	
Number of primary care codes increased to 100% of Medicare with MO HealthNet utilization.	702
Number of units of service associated with MO HealthNet utilized codes.	2,115,922

6b. Provide an efficiency measure.
N/A

6c. Provide the number of clients/individuals served, if applicable.
N/A

6d. Provide a customer satisfaction measure, if available.
N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
Medicaid Primary Care Rate Inc - 1886014								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	36,785,727	0.00	36,785,727	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**36,785,727**	**0.00**	**36,785,727**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$36,785,727**	**0.00**	**$36,785,727**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$36,785,727**	**0.00**	**$36,785,727**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Medicaid Primary Care Rate Inc - 1886014								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	15,765,311	0.00	15,765,311	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**15,765,311**	**0.00**	**15,765,311**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$15,765,311**	**0.00**	**$15,765,311**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$15,765,311**	**0.00**	**$15,765,311**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Medicaid GR Pickup

NEW DECISION ITEM
RANK:7

Department: Social Services
Division: MO HealthNet
DI Name: GR Pickup

Budget Unit: 90573C,90551C,90552C,90554C,90556C,90549C,90544C,90541C,90538C
DI#: 1886011

1. AMOUNT OF REQUEST

	FY 2014 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	69,870,480			69,870,480
TRF				
Total	69,870,480			69,870,480
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	54,238,028		12,000,000	66,238,028
TRF				
Total	54,238,028		12,000,000	66,238,028
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: 0885 Premium Fund

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
X	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: General Revenue pick-up is requested to keep funding at the current levels.

SFY 13 funding included Federal Reimbursement Allowance (FRA), Managed Care Organization (MCO), Pharmacy Federal Reimbursement Allowance (PFRA), Blind Pension Healthcare Fund, Blind Pension Premium Fund, Healthy Families Trust Fund (HFTF), Pharmacy Rebates Fund and Third Party Liability (TPL) for the purpose of funding core MO HealthNet programs. This general revenue funding is requested to replace the FRA, MCO, PFRA, Blind Pension Healthcare Fund, Blind Pension Premium Fund, HFTF, Pharmacy Rebates Fund and TPL to keep program funding at the current levels.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

SFY 13 funding included Blind Pension Healthcare Fund and Blind Pension Premium Fund for the purpose of funding healthcare benefits for non-Medicaid eligible blind individuals who receive the Missouri Blind Pension cash grant. GR funding is requested to replace the Blind Pension Healthcare Fund and Blind Pension Premium Fund to keep program funding at the current level.

Department Request

	Total	GR
Blind Pension Medical (BPP Fund)	$ 3,632,576	$ 3,632,576
Blind Pension Medical (BPH Fund)	$ 18,045,720	$18,045,720
Total	$ 21,678,296	$21,678,296

Governor Recommended

	Total	GR
Blind Pension Medical (BPP Fund)	$ 3,632,576	$ 3,632,576
Blind Pension Medical (BPH Fund)	$18,045,720	$ 18,045,720
Total	$21,678,296	$ 21,678,296

SFY 13 FMAP adjustments were partially funded with one-time Federal Reimbursement Allowance (FRA) and Managed Care Organization (MCO). FRA funding was provided for the Managed Care, Hospital, Women's Health, and CHIP program. MCO funding was provided for the Managed Care program. GR funding is requested to replace the FRA and MCO funds to keep program funding at the current level.

Department Request

	Total	GR
Managed Care	$ 15,481,325	$15,481,325
Hospital	$ 12,118,041	$12,118,041
Women's Health	$ 235,900	$ 235,900
CHIP	$ 2,549,801	$ 2,549,801
Total	$ 30,385,067	$30,385,067

Governor Recommended

	Total	GR	*Other
Managed Care	$15,481,325	$ 15,481,325	
Hospital	$12,118,041	$ 118,041	$12,000,000
Women's Health	$ 235,900	$ 235,900	
CHIP	$ 2,549,801	$ 2,549,801	
Total	$30,385,067	$ 18,385,067	$12,000,000

* Other Funds- Premium Fund

Projected SFY 14 revenues will not be sufficient to fund core Healthy Family Trust Fund (HFTF) appropriations in Managed Care, Hospital Care and MO Rx programs. GR funding is requested to replace the HFTF to keep program funding at the current level.

Department Request

	Total	GR
Managed Care	$ 4,447,110	$ 4,447,110
MO Rx	$ 4,020,828	$ 4,020,828
Hospital Care	$ 2,365,987	$ 2,365,987
Total	$ 10,833,925	$10,833,925

Governor Recommended

	Total	GR
Managed Care	$ 1,447,110	$ 1,447,110
MO Rx	$ 3,388,376	$ 3,388,376
Hospital Care	$ 2,365,987	$ 2,365,987
Total	$ 7,201,473	$ 7,201,473

Note: Funding difference in the Governors recommendation is estimated Healthy Families Trust Fund available to support Medicaid programs.

Projected SFY 14 revenues will not be sufficient to fund core Third Party Liability (TPL) fund appropriations supporting MO HealthNet core programs. GR funding is requested to replace the TPL funds to keep program funding at the current level.

Department Request

	Total	GR
Pharmacy	$ 1,022,680	$ 1,022,680
Physician Related	$ 1,906,107	$ 1,906,107
Hospital Care	$ 1,062,735	$ 1,062,735
Total	$ 3,991,522	$ 3,991,522

Governor Recommended

	Total	GR
Pharmacy	$ 1,022,680	$ 1,022,680
Physician Related	$ 1,906,107	$ 1,906,107
Hospital Care	$ 1,062,735	$ 1,062,735
Total	$ 3,991,522	$ 3,991,522

Projected SFY 14 MO Rx revenues will not be sufficient to fund projected expenditures to support the MO Rx program. GR funding is requested to sustain the core MO Rx program.

Department Request

	Total	GR
MO Rx	$ 2,981,670	$ 2,981,670

Governor Recommended

	Total	GR
MO Rx	$ 2,981,670	$ 2,981,670

Total Department Request

Program	Total	GR
Blind Pension Medical	$21,678,296	$21,678,296
Managed Care	$19,928,435	$ 19,928,435
Hospital	$15,546,763	$ 15,546,763
Women's Health	$235,900	$ 235,900
CHIP	$2,549,801	$ 2,549,801
Pharmacy	$1,022,680	$1,022,680
Physician Related	$1,906,107	$ 1,906,107
MO Rx	$7,002,498	$7,002,498
Total	$69,870,480	$69,870,480

Total Governors Recommendation

Program	Total	GR	Other
Blind Pension Medical	$21,678,296	$21,678,296	
Managed Care	$16,928,435	$ 16,928,435	
Hospital	$15,546,763	$ 3,546,763	$12,000,000
Women's Health	$235,900	$ 235,900	
CHIP	$2,549,801	$ 2,549,801	
Pharmacy	$1,022,680	$1,022,680	
Physician Related	$1,906,107	$ 1,906,107	
MO Rx	$6,370,046	$6,370,046	
Total	$66,238,028	$54,238,028	$12,000,000

Note: Funding difference between the Department Request and the Governors Recommendation is due to a funding switch to the Premium Fund in Hospitals, a projected lapse in MO RX and additional balance being available in the Health Family Trust Fund in Managed Care.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	69,870,480						69,870,480		
Total PSD	**69,870,480**		**0**		**0**		**69,870,480**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**69,870,480**	**0.0**	**0**	**0.0**	**0**	**0.0**	**69,870,480**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	54,238,028				12,000,000		66,238,028		
Total PSD	**54,238,028**		**0**		**12,000,000**		**66,238,028**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**54,238,028**	**0.0**	**0**	**0.0**	**12,000,000**	**0.0**	**66,238,028**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Measures are included in core programs for which GR Pickup is requested.

6b. Provide an efficiency measure.

Measures are included in core programs for which GR Pickup is requested.

6c. Provide the number of clients/individuals served, if applicable.

Measures are included in core programs for which GR Pickup is requested.

6d. Provide a customer satisfaction measure, if available.

Measures are included in core programs for which GR Pickup is requested.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,022,680	0.00	1,022,680	0.00
TOTAL - PD	0	0.00	0	0.00	1,022,680	0.00	1,022,680	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$1,022,680	0.00	$1,022,680	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$1,022,680	0.00	$1,022,680	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MISSOURI RX PLAN								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	7,002,498	0.00	6,370,046	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**7,002,498**	**0.00**	**6,370,046**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$7,002,498**	**0.00**	**$6,370,046**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$7,002,498**	**0.00**	**$6,370,046**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	1,906,107	0.00	1,906,107	0.00
TOTAL - PD	0	0.00	0	0.00	1,906,107	0.00	1,906,107	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$1,906,107	0.00	$1,906,107	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$1,906,107	0.00	$1,906,107	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	19,928,435	0.00	16,928,435	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**19,928,435**	**0.00**	**16,928,435**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$19,928,435**	**0.00**	**$16,928,435**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$19,928,435**	**0.00**	**$16,928,435**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	15,546,763	0.00	15,546,763	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**15,546,763**	**0.00**	**15,546,763**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$15,546,763**	**0.00**	**$15,546,763**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$15,546,763**	**0.00**	**$3,546,763**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$12,000,000**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	235,900	0.00	235,900	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**235,900**	**0.00**	**235,900**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$235,900**	**0.00**	**$235,900**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$235,900**	**0.00**	**$235,900**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,549,801	0.00	2,549,801	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**2,549,801**	**0.00**	**2,549,801**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$2,549,801**	**0.00**	**$2,549,801**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$2,549,801**	**0.00**	**$2,549,801**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
BLIND PENSION MEDICAL BENEFITS								
Medicaid GR Pickup - 1886011								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	21,678,296	0.00	21,678,296	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**21,678,296**	**0.00**	**21,678,296**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$21,678,296**	**0.00**	**$21,678,296**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$21,678,296**	**0.00**	**$21,678,296**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Pharmacy PMPM

NEW DECISION ITEM
RANK: 9

Department: Social Services
Division: MO HealthNet
DI Name: Pharmacy PMPM Increase

Budget Unit: 90541C,90573C,90554C,90556C

DI#: 1886018

1. AMOUNT OF REQUEST

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	11,065,704	34,378,037	10,397,839	55,841,580	PSD	3,267,574	21,727,484	10,324,765	35,319,823
TRF					TRF				
Total	**11,065,704**	**34,378,037**	**10,397,839**	**55,841,580**	Total	**3,267,574**	**21,727,484**	**10,324,765**	**35,319,823**
FTE				**0.00**	FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: 0114 Pharmacy Rebates Fund

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: 0114 Pharmacy Rebates Fund

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Inflation/Utilization		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds are needed to address the anticipated increases in the pharmacy program due to new drugs, therapies and inflation.

This decision item requests funding for the ongoing inflation of pharmaceuticals and the anticipated increase in pharmacy expenditures due to increased utilization

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Pharmacy costs continue to grow at a higher rate than other medical costs. The increasing costs can be attributed to the rising cost of drug ingredients, an increase in units per prescription, the cost of new, expensive medications, and utilization increases. The increase in ingredient costs is due to the inflationary increases which are incorporated into the overall pricing of prescription medications by the pharmaceutical industry as well as the addition of new, expensive agents to the marketplace.

The pharmacy pmpm decision item is based on historical trends. Over the last four years, the average increase in the pmpm cost has been 5.71% for the elderly population and 5.32% for the disabled population. For the purpose of this decision item, a 5.32% trend is projected for all populations.

	Elderly	% Increase	Disabled	% Increase	Other	% Increase
FY08	$166.96		$423.07			
FY09	$172.75	3.47%	$440.34	4.08%		
FY10	$194.11	12.36%	$455.20	3.37%		
FY11	$206.09	6.17%	$460.43	1.15%	$45.53	
FY12	$207.81	0.83%	$518.86	12.69%	$50.92	11.84%
Average		5.71%		5.32%		

Calculation:

	Elderly	% Increase	Disabled	% Increase	Other	% Increase	
FY12	$207.81		$518.86		$50.92		
FY13 (Projection)	$218.87	5.32%	$546.46	5.32%	$53.63	5.32%	
FY14 (Projection)	$230.51	5.32%	$575.53	5.32%	$56.48	5.32%	
Increase	$11.64		$29.07		$2.85		
FY12 Eligible's	9,640		90,764		667,630		
Cost per Month	$112,210		$2,638,509		$1,902,746		
Months in Year	12		12		12		
Annual Cost	$1,346,520		$31,662,108		$22,832,952	$55,841,580	Total Request

Department Request

	Total	GR	Rebates	Federal
Pharmacy	$52,295,640	$10,042,070	$10,042,070	$32,211,500
Blind Pension Medical	$642,178	$642,178	$0	$0
Women Health Services	$256,871	$25,687	$0	$231,184
CHIP	$2,646,891	$355,769	$355,769	$1,935,353
Total	$55,841,580	$11,065,704	$10,397,839	$34,378,037

Governors Recommendation

	Total	GR	Rebates	Federal
Pharmacy	$31,773,883	$2,243,940	$9,968,996	$19,560,947
Blind Pension Medical	$642,178	$642,178	$0	$0
Women Health Services	$256,871	$25,687	$0	$231,184
CHIP	$2,646,891	$355,769	$355,769	$1,935,353
Total	$35,319,823	$3,267,574	$10,324,765	$21,727,484

The Department Request is decreased in the Governors Recommendation by projected savings as high cost drugs go generic ($17.2 million total funds/$6.6 million GR) and projected savings to implement 340B pricing on hemophilia drugs ($3.2 million total funds/$1.2 million GR).

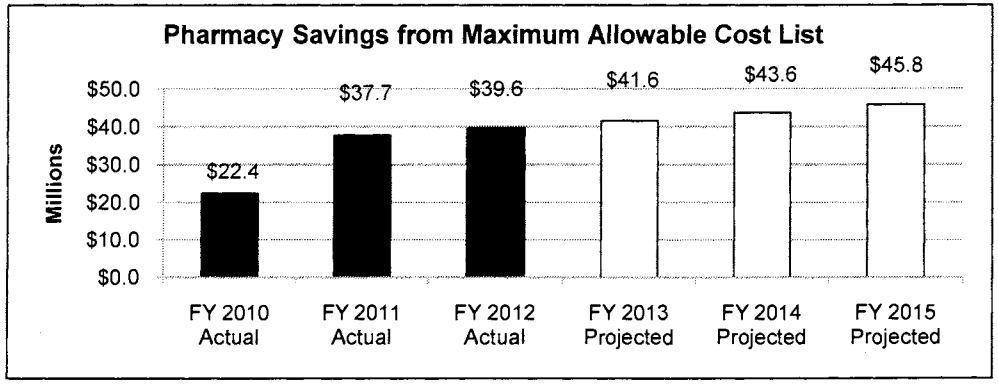
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	11,065,704		34,378,037		10,397,839		55,841,580		
Total PSD	**11,065,704**		**34,378,037**		**10,397,839**		**55,841,580**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	**11,065,704**	0.0	**34,378,037**	0.0	**10,397,839**	0.0	**55,841,580**	0.0	0

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	3,267,574		21,727,484		10,324,765		35,319,823		
Total PSD	**3,267,574**		**21,727,484**		**10,324,765**		**35,319,823**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	**3,267,574**	0.0	**21,727,484**	0.0	**10,324,765**	0.0	**35,319,823**	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

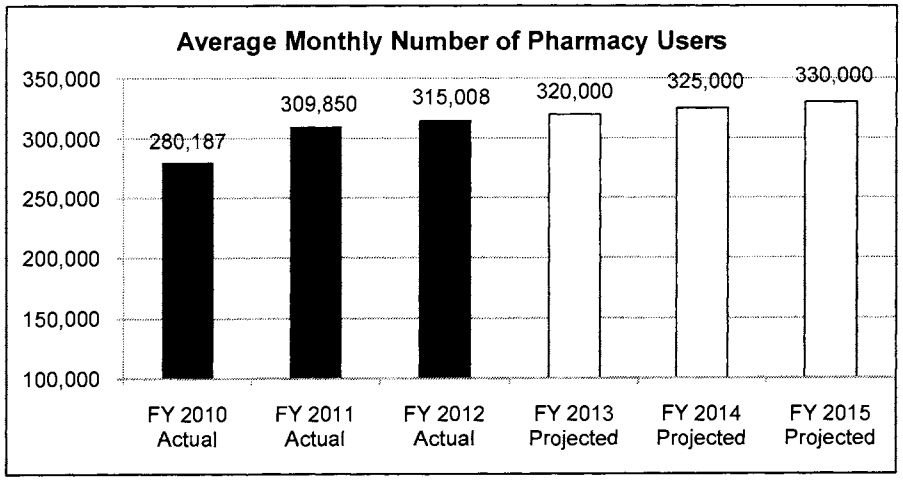


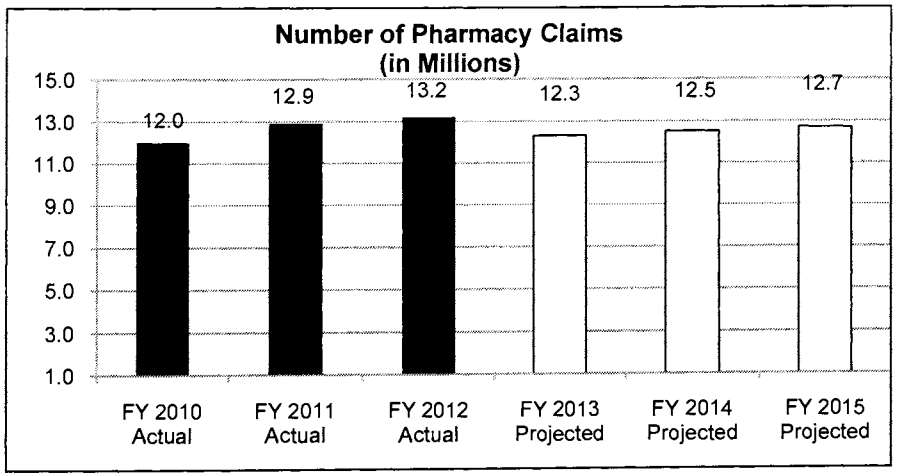
6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

Pharmacy services are available to all MO HealthNet participants. Prior to FY 2010, managed care plans had the option to carve out pharmacy services. Beginning in SFY 2010, managed care plans are no longer responsible for paying for pharmacy services. Pharmacy services for both fee-for-service and managed care will be paid from the pharmacy section





6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
Pharmacy PMPM Increase - 1886018								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	52,295,640	0.00	31,773,883	0.00
TOTAL - PD	0	0.00	0	0.00	52,295,640	0.00	31,773,883	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$52,295,640	0.00	$31,773,883	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$10,042,070	0.00	$2,243,940	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$32,211,500	0.00	$19,560,947	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$10,042,070	0.00	$9,968,996	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
Pharmacy PMPM Increase - 1886018								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	256,871	0.00	256,871	0.00
TOTAL - PD	0	0.00	0	0.00	256,871	0.00	256,871	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$256,871	0.00	$256,871	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$25,687	0.00	$25,687	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$231,184	0.00	$231,184	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Pharmacy PMPM Increase - 1886018								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	2,646,891	0.00	2,646,891	0.00
TOTAL - PD	0	0.00	0	0.00	2,646,891	0.00	2,646,891	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$2,646,891	0.00	$2,646,891	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$355,769	0.00	$355,769	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$1,935,353	0.00	$1,935,353	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$355,769	0.00	$355,769	0.00

Managed Care Inflation Increase

NEW DECISION ITEM
RANK: 10

Department: Social Services | **Budget Unit: 90551C, 90556C**
Division: MO HealthNet
DI Name: Managed Care Actuarial Increase | **DI#: 1886013**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS	0	0	0	0
EE	0	0	0	0
PSD	25,284,997	42,025,949	0	67,310,946
TRF	0	0	0	0
Total	**25,284,997**	**42,025,949**	**0**	**67,310,946**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	16,180,182	32,888,053	4,092,766	53,161,001
TRF				0
Total	**16,180,182**	**32,888,053**	**4,092,766**	**53,161,001**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: 0142 Federal Reimbursment Allowance Fund

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Acturial sound rate		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed to fund an increase for Managed Care medical, delivery and Neonatal Intensive Care Unit services to ensure that managed care payments are actuarially sound. Funding is for the Eastern, Central and Western regions for July 2013 through June 2014.

MO HealthNet needs to maintain capitation rates at a sufficient level to ensure continued health plan and provider participation. The Federal Authority is Social Security Act Section 1915(b) and 1115 Waiver. The Federal Regulation is 42 CFR 438-Managed Care, and the State Authority is 208.166 RSMo. Final rules and regulations published June 14, 2002, effective August 13, 2003, require that capitation payments made on behalf of managed care participants be actuarially sound. Further, the state must provide the actuarial certification of the capitation rates to the CMS. The CMS Regional Office must review and approve all contracts for managed care as a condition for federal financial participation.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The chart below indicates the projected need for all medical services as well as the normal births of children and Neonatal Intensive Care Unit (NICU) care for newborns in need of specialized care. Pharmacy benefits were carved out of Managed Care beginning October 1, 2009 therefore participants receive their pharmacy benefits through the fee-for-service program. The managed care trend factor need is calculated by region and is based on the number of months in the contract period that fall in FY 2014. *Three efficiency adjustments were made in SFY 2011: Low-Acuity Non-Emergency (LANE), Potentially Preventable Hospital Admissions (PPA), and Risk Adjusted Efficiency (RAE).* The total cost is estimated at $67,310,946 as follows:

Program	Region	FY13	FY14	Difference	Participants	Contract Months in FY14	Total
Medical-Managed Care	Eastern	$193.64	$205.45	$11.81	186,887	12	$26,485,626
Medical-Managed Care	Central	$204.74	$218.37	$13.63	70,890	12	$11,594,768
Medical-Managed Care	Western	$221.23	$234.95	$13.72	120,824	12	$19,892,463
					subtotal Managed Care		$57,972,857
Medical TIXXI CHIP-Child	Eastern	$130.52	$138.88	$8.36	19,587	12	$1,964,968
Medical TIXXI CHIP-Child	Central	$136.44	$145.58	$9.14	9,847	12	$1,080,019
Medical TIXXI CHIP-Child	Western	$167.75	$178.66	$10.91	14,245	12	$1,864,955
					subtotal TIXXI CHIP Children		$4,909,942
					Total Need Medical Trend		$62,882,799
Deliveries-Managed Care and CHIP	Eastern	$5,358.46	$5,481.70	$123.24	861	12	$1,273,316
Deliveries-Managed Care and CHIP	Central	$3,878.80	$3,975.77	$96.97	367	12	$427,056
Deliveries-Managed Care and CHIP	Western	$3,721.06	$3,791.76	$70.70	600	12	$509,040
					subtotal Managed Care and CHIP		$2,209,412
					Total Need Deliveries Trend		$2,209,412
NICU-Managed Care and CHIP	Eastern	$168,545.94	$176,804.69	$8,258.75	14	12	$1,387,470
NICU-Managed Care and CHIP	Central	$134,853.75	$142,540.41	$7,686.66	4	12	$368,960
NICU-Managed Care and CHIP	Western	$125,899.92	$132,320.82	$6,420.90	6	12	$462,305
					subtotal Managed Care and CHIP Deliveries		$2,218,735
					Total Need NICU Trend		$2,218,735
					Total Need Medical, Deliveries and NICU		**$67,310,946**

Department Request	Total	GR	Federal
Managed Care	$62,401,004	$23,965,106	$38,435,898
CHIP	$4,909,942	$1,319,891	$3,590,051
	$67,310,946	$25,284,997	$42,025,949

Governor Recommendation	Total	GR	Federal	Other
Managed Care	$52,666,128	$15,991,462	$32,581,900	$4,092,766
CHIP	$494,873	$188,720	$306,153	$0
	$53,161,001	$16,180,182	$32,888,053	$4,092,766

Governor Recommendation changes: $4,092,766 Funding switch to Healthy Initiatives Fund; -$4,202,993 ($1,121,989 GR, $3,081,004 FED) projected CHIP lapse; -$9,734,876 ($3,712,395 GR,$6,022,481 FED)Projected lapse less reallocation of $5.8M to Physicians; -$168,483 FMAP adjustment for Managed Care, -$9,182 FMAP Adjustment for CHIP.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

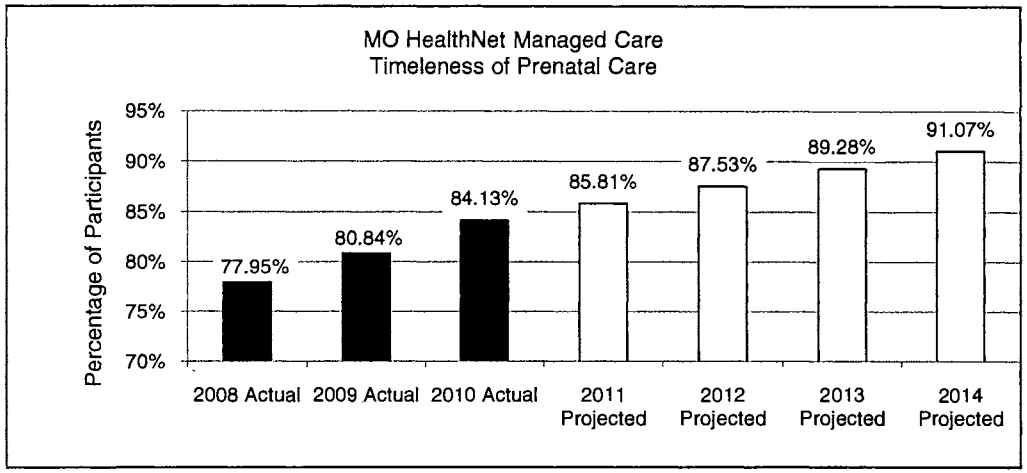
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	25,284,997		42,025,949				67,310,946		
Total PSD	**25,284,997**		**42,025,949**		**0**		**67,310,946**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**25,284,997**	**0.0**	**42,025,949**	**0.0**	**0**	**0.0**	**67,310,946**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	16,180,182		32,888,053		4,092,766		53,161,001		
Total PSD	**16,180,182**		**32,888,053**		**4,092,766**		**53,161,001**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**16,180,182**	**0.0**	**32,888,053**	**0.0**	**4,092,766**	**0.0**	**53,161,001**	**0.0**	**0**

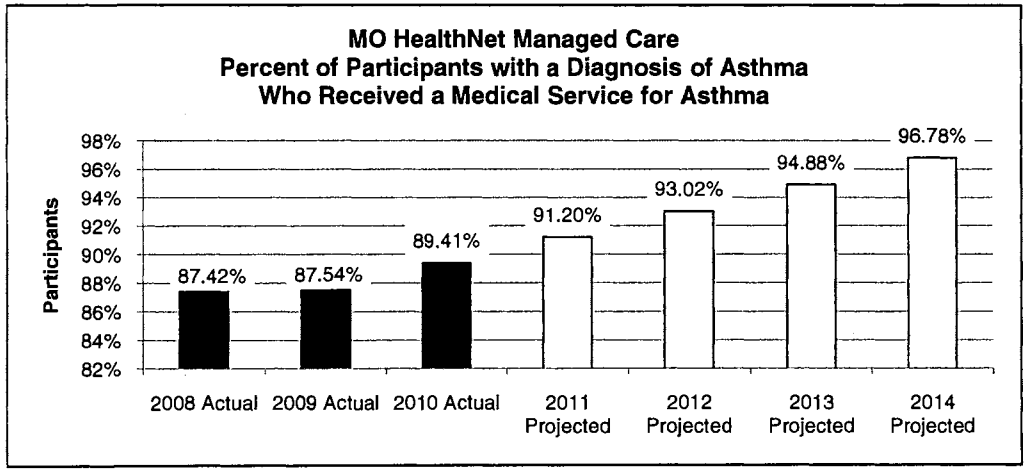
6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.



Effectiveness Measure 1: Increase the percentage of women receiving prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 84.13% in 2010.

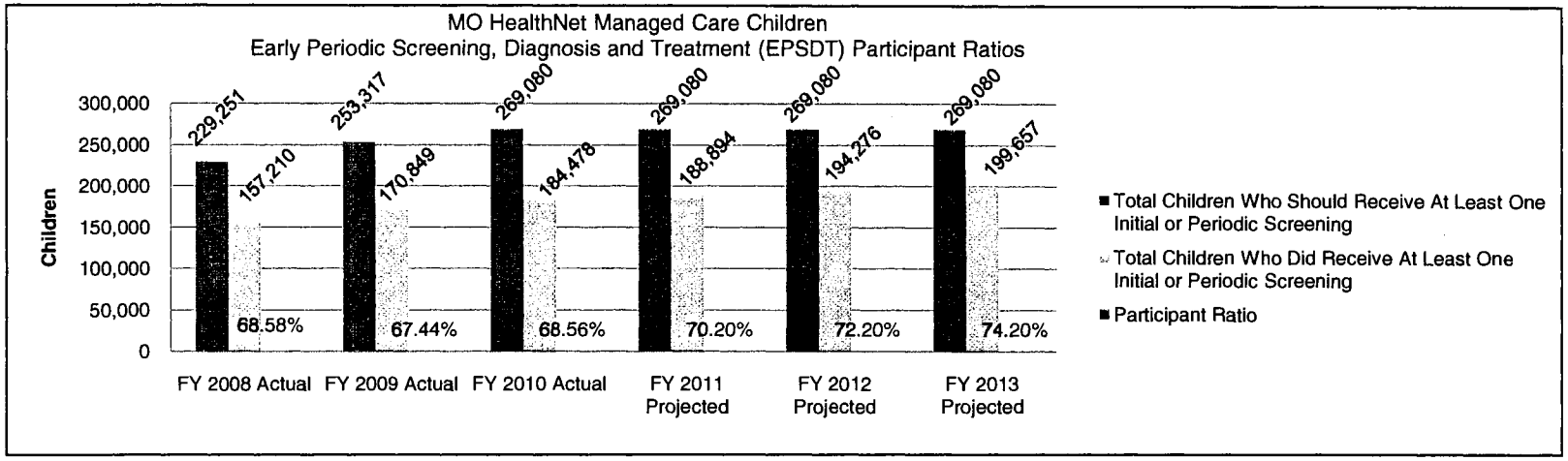


Effectiveness Measure 2: Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 89.14% in 2010.

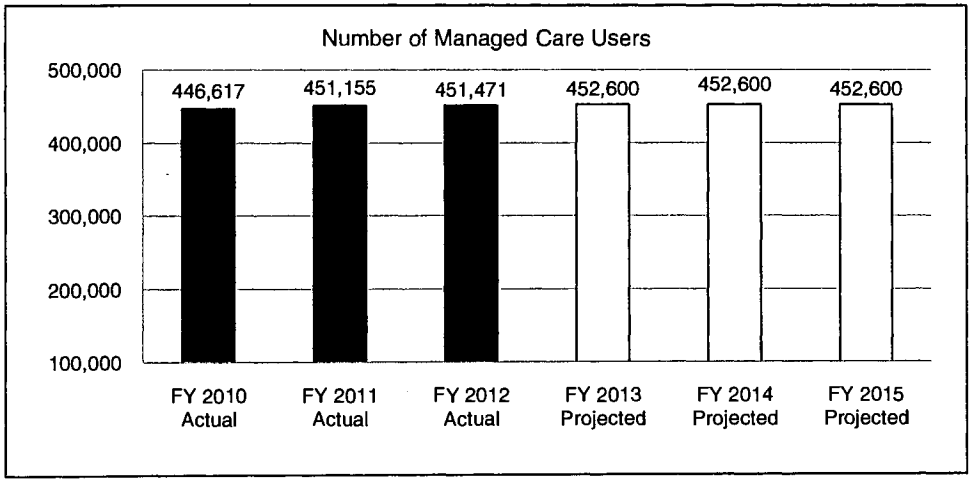
6b. Provide an efficiency measure.

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

Efficiency Measure: Increase the ratio of children who receive an EPSDT service. In FY 2010, over 68% of the children in Managed Care (not



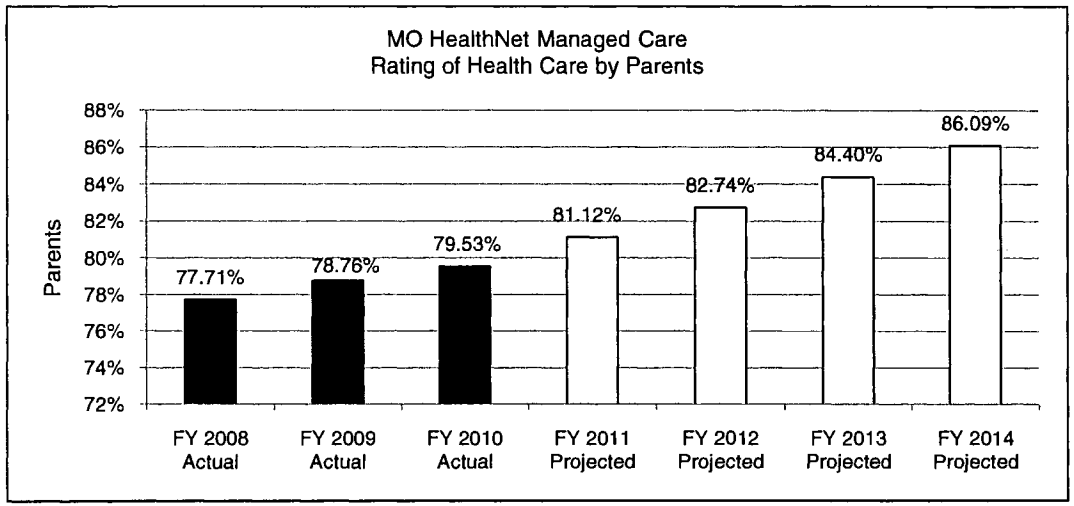
6c. Provide the number of clients/individuals served, if applicable.



Users include MO HealthNet (Title XIX) and CHIP (Title XXI) participants.

6d. Provide a customer satisfaction measure, if available.

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, nearly 80% responded that they were satisfied in 2010.



Customer Satisfaction Measure: Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

- Participate in the Statewide Coalition, consisting of leaders from Missouri Hospital Association and the Family and Community Trust to provide outreach and enrollment.
- Purchase cost effective health insurance policies for MO HealthNet participants through the Health Insurance Premium Payment Program.
- Continue to work with community groups, local medical providers, health care associations, schools, etc., regarding access to MO HealthNet coverage.
- Continue to work with MO HealthNet Managed Care health plans to provide outreach and education to communities regarding access to MO HealthNet coverage.

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Managed Care Inflation Incr. - 1886013								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	62,401,004	0.00	52,666,128	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**62,401,004**	**0.00**	**52,666,128**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$62,401,004**	**0.00**	**$52,666,128**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$23,965,106**	**0.00**	**$15,991,462**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$38,435,898**	**0.00**	**$32,581,900**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,092,766**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Managed Care Inflation Incr. - 1886013								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	4,909,942	0.00	494,873	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**4,909,942**	**0.00**	**494,873**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,909,942**	**0.00**	**$494,873**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$1,319,891**	**0.00**	**$188,720**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$3,590,051**	**0.00**	**$306,153**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Sustaining Mo HealthNet Technology

NEW DECISION ITEM
RANK: 15

Department: Social Services | **Budget Unit: 90522C, 90512C**
Division: MO HealthNet
DI Name: Sustaining MO HealthNet Technology Infrastructure | **DI#: 1886019**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS	102,500	292,500		395,000
EE	10,000	30,000		40,000
PSD	2,021,687	6,695,180		8,716,867
TRF				
Total	**2,134,187**	**7,017,680**		**9,151,867**
FTE				**7.00**
Est. Fringe	*52,695*	*150,374*	*0*	*203,070*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS		292,500	102,500	395,000
EE		30,000	10,000	40,000
PSD		6,695,180	2,021,687	8,716,867
TRF				
Total		**7,017,680**	**2,134,187**	**9,151,867**
FTE				**7.00**
Est. Fringe	*0*	*154,557*	*54,161*	*208,718*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: 0275 Health Initiatives Fund

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is requested to meet Medicaid systems Federal requirements and to maximize MO HealthNet's use of technology to manage a health care payment and delivery system for over 900,000 Medicaid and CHIP eligibles.

Funding is requested to:
•Ensure Missouri's compliance with Federal regulations on how Medicaid Management Information Systems (MMIS) must accept claims, report data and disburse payments and remittance advice. The project requirements and timeframes for implementation are published in 45 CFR Part 162.1002 *(ICD-10)* and 45 CFR Parts 160 and 162 [CMS-0032-IFC] *(5010 D.0)*.
•Begin the reprocurement process for services provided under the MMIS and Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP). Initial funding will support an analysis of the current system and options on how the state may proceed with the reprocuremnet process.
•Fund the creation of technical infrastructure within the state to enable sharing of health information in and among state agencies and external networks efficiently and on current technical standards and protocols. MO HealthNet membership in the Health Information Network to receive health records data from outside providers to help better manage the health care needs of MO HealthNet participants.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

ICD-10 Implementation

The Federal Department of Health and Human Services (DHHS) published a final rule under 45 CFR Part 162.1002 under the Administrative Simplification provision of the Health Insurance Portability and Accountability Act (HIPAA) requiring implementation of the following:

* International Classification of Diseases and Related Health Problems, 10th Edition, Clinical Modifications (ICD-10-CM) Diagnosis

* International Classification of Diseases and Related Health Problems, 10th Edition, Procedure Coding System (ICD-10-PCS) Inpatient Hospital Procedure Coding System

A rule issued by CMS in 2012 changed the implementation date to October 1, 2014 for all State Medicaid Programs and their healthcare service providers. The ICD-10 code sets will replace the ICD-9 cost sets currently used throughout the healthcare industry as diagnosis and inpatient hospital procedure codes. The ICD-10 code sets expand significantly on the existing ICD-9 code sets by adding thousands of new codes and by allowing for the encoding of a significant amount of additional data regarding a diagnosis and an inpatient procedure. One time funding was appropriated in the FY 2013 budget to begin ICD implementation.

5010 D.O/CORE

Based on the final rule published by the Department of Health and Human Services (DHHS) in rule 45 CFR Parts 160 and 162 [CMS-0032-IFC] Administrative Simplification Subpart P: Health Care Electronic Funds Transfers (EFT) and Remittance Advice, all HIPAA-covered entities are required to adopt the Council for Affordable Quality Healthcare's (CAQH) Committee on Operating Rules for Information Exchange (CORE) Phase III Operating Rules for the EFT and Remittance Advice transactions by the mandated date of January 1, 2014. Medicaid must certify compliance with the CORE operating rules to CMS by January 1, 2014 or be subject to a penalty of one dollar per covered life per day up to a maximum penalty of twenty dollars per covered life for the first year.

MMIS Reprocurement

The contract with Wipro Infocrossing, Inc. for the operation of the primary Missouri Medicaid Management Information System (MMIS), Medicaid call centers, and Managed Care Enrollment Broker will expire on June 30, 2014 with options to renew annually for up to three additional years. The contract with Xerox, Inc. for the operation of the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP) will expire on June 30, 2012 with options to renew annually for up to six additional years. Due to the complexity and potential cost of these contracts, a thorough independent review of the renewal options available to Missouri for provision of these services is strongly recommended. Given the length of time required to select a renewal option and to exercise the selected option such as an estimated three to five-year implementation of a replacement system, the reprocurement effort must be initiated several years prior to the end of the contract period and the available contract renewal periods.

Independent Verification and Validation (IV & V)

45 CFR Part 95.626 recommends the application of Independent Verification and Validation (IV&V) services to Medicaid Management Information System (MMIS) projects at risk of missing regulatory deadlines and projects involving MMIS redesign (such as ICD-10 discussed above). The State of Missouri also committed to procuring IV&V services to monitor the MMIS Reengineering projects being implemented as part of a redesign and enhancement of the MMIS. The requested funding would expand the scope of the IV&V services to encompass the Clinical Management System for Pharmacy Claims and Prior Authorization (CMSP).

Medical Record Networks

Networks to promote sharing of medical records are emerging and maturing. State programs that pay for the provision of health care, directly provide health care or manage public health information will greatly benefit by sharing health information through networks by having a more complete record of clients heath care history (thus avoiding duplicative or contraindicated care, improved capacity to ensure preventive and primary care is delivered, improved monitoring of critical health statistics for the chronically ill, etc.) and through promoting more efficient channels to send and receive public health information.

State health information systems must be modified in order to participate in and benefit from robust medical record sharing. The funds provided herein would all for the creation of technical infrastructure within the state to enable sharing of health information in and among state agencies and external networks efficiently and on current technical standards and protocols. This investment will support not only the Medicaid program, but programs in the Departments of Mental Health, and Health and Senior Services. The Medicaid program provides a nexus for the agencies to jointly develop and benefit from this new technology.

Additional MMIS Staff

The MMIS staff are engaged with the implementation of several CMS-mandated initiatives including the ICD-10 code sets, the CORE operating rules, and the Medicaid Information Technology Architecture State Self-Assessment as well as enhancements to the MMIS committed to in the MMIS contract. Over the next five years, the MMIS staff will also engage in a procurement process to determine the MMIS strategy after expiration of the current MMIS and CMSP contracts on June 30, 2017, complete a procurement process, and possibly initiate system replacement(s). These projects will require additional project management, technical, and analysis staff. The demands of the ongoing projects on existing MMIS staff as well as the complexity of the MMIS and CMSP contracts have created the need for additional staff focused on contract management to ensure the contractors are meeting the thousands of contractual requirements.

Department Request

	FTE	Total	GR	Federal
Information Systems:				
ICD-10		$3,916,867	$391,687	$3,525,180
5010 D.O / CORE		$1,000,000	$100,000	$900,000
MMIS/CMPS Procurement		$2,500,000	$1,250,000	$1,250,000
IV & V		$300,000	$30,000	$270,000
HITECH		$1,000,000	$250,000	$750,000
Information Systems Total:		*$8,716,867*	*$2,021,687*	*$6,695,180*
MO HealthNet Administration:				
Additional MMIS Staff	7.0	$435,000	$112,500	$322,500
MO HealthNet Administration Total:		*$435,000*	*$112,500*	*$322,500*
Total	**7.0**	**$9,151,867**	**$2,134,187**	**$7,017,680**

Governors Recommendation	FTE	Total	Other	GR	Federal
Information Systems:					
ICD-10		$3,916,867	$391,687		$3,525,180
5010 D.O / CORE		$1,000,000	$100,000		$900,000
MMIS/CMPS Procurement		$2,500,000	$1,250,000		$1,250,000
IV & V		$300,000	$30,000		$270,000
HITECH		$1,000,000	$250,000		$750,000
Information Systems Total:		*$8,716,867*	*$2,021,687*	*$0*	*$6,695,180*
MO HealthNet Administration:					
Additional MMIS Staff	7.0	$435,000	$112,500	$0	$322,500
MO HealthNet Administration Total:		*$435,000*	*$112,500*	*$0*	*$322,500*
Total	**7.0**	**$9,151,867**	**$2,134,187**	**$0**	**$7,017,680**

Other Funding Source- Health Initiatives Fund.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE
Special Asst. Prof. 009871	60,679	0.26	173,473	2.74			234,152	3.00
Management Anal. Spec II 000553	41,821	0.26	119,027	3.74			160,848	4.00
Total PS	**102,500.00**	**0.52**	**292,500.00**	**6.48**	**0.00**	**0.00**	**395,000.00**	**7.00**
Office Supplies 190	635		1,815				2,450	
In-State Travel 0140	365		1,035				1,400	
Professional Services 400	9,000		27,150				36,150	
Total EE	**10,000**		**30,000**		**0**		**40,000**	
Program Distributions	2,021,687		6,695,180		0		8,716,867	
Total PSD	**2,021,687**		**6,695,180**		**0**		**8,716,867**	
Transfers								
Total TRF	**0**		**0**		**0**		**0**	
Grand Total	**2,134,187**	**0.52**	**7,017,680**	**6.48**	**0**	**0.0**	**9,151,867**	**7.00**

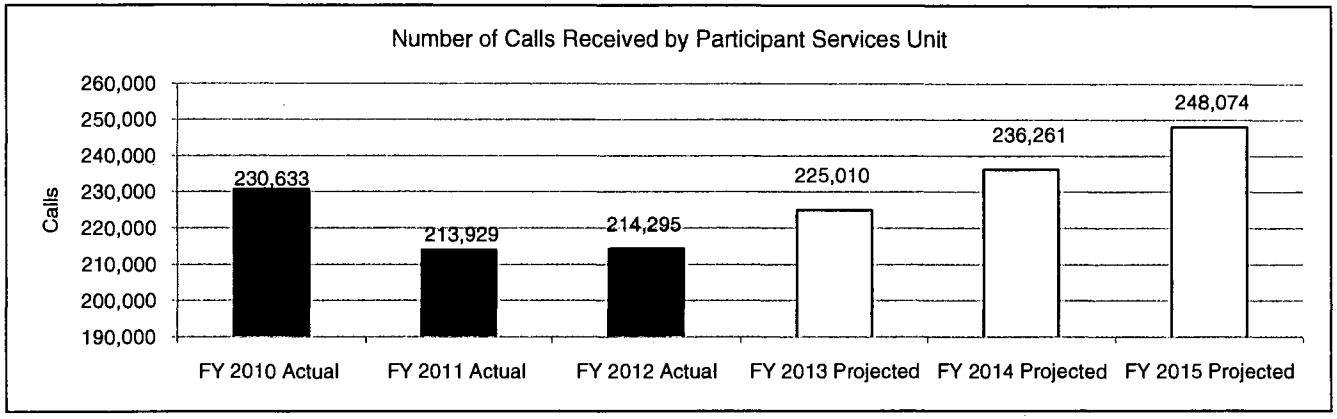
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

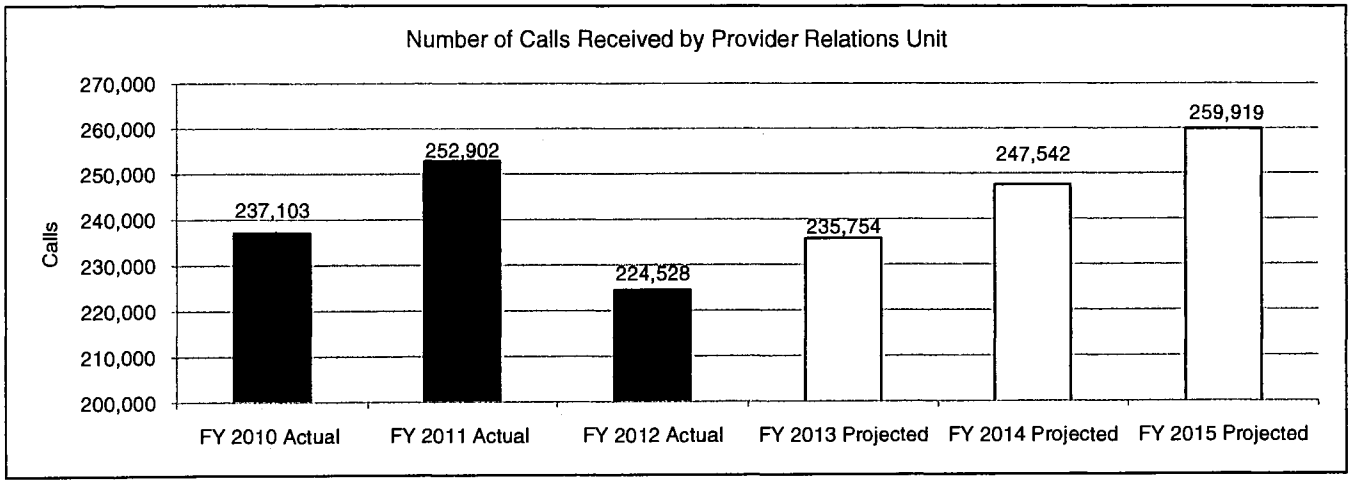
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE
Special Asst. Prof. 009871			173,473	2.74	60,679	0.26	234,152	3.00
Management Anal. Spec II 000553			119,027	3.74	41,821	0.26	160,848	4.00
Total PS	**0**	**0.0**	**292,500**	**6.48**	**102,500**	**0.5**	**395,000**	**7.00**
Office Supplies 190	0		1,815		635		2,450	
In-State Travel 0140	0		1,035		365		1,400	
Professional Services 400	0		27,150		9,000		36,150	
Total EE	**0**		**30,000**		**10,000**		**40,000**	
Program Distributions			6,695,180		2,021,687			7.00
Total PSD	**0**		**6,695,180**		**2,021,687**		**8,716,867**	**7.00**
Transfers								
Total TRF	**0**		**0**		**0**		**0**	
Grand Total	**0**	**0.0**	**7,017,680**	**6.48**	**2,134,187**	**0.5**	**9,151,867**	**14.00**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

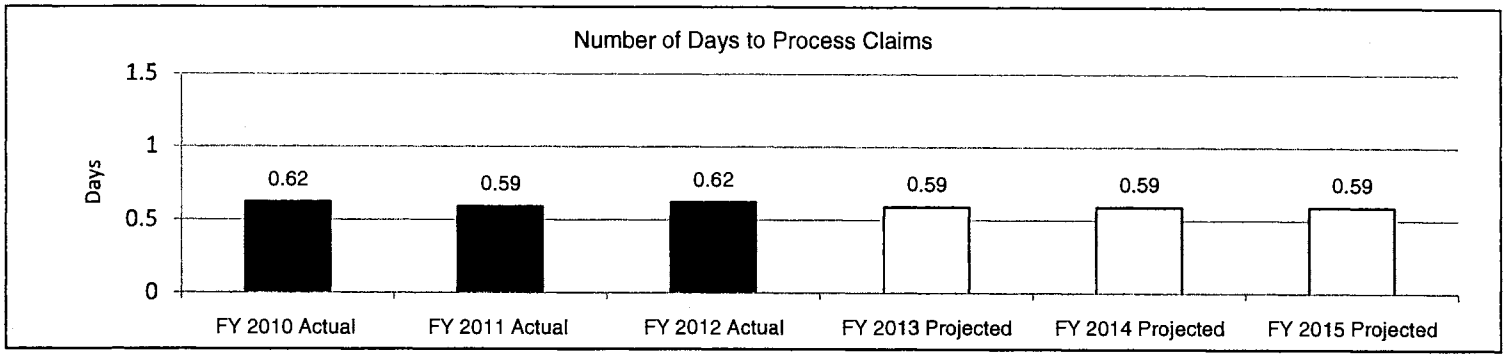
Effectiveness Measure: Provide support for participants and providers. For each of the past three state fiscal years, the Participant Services Unit received and responded to over 214,000 calls from participants. The Provider Relations Unit received and responded to 224,528 calls in SFY 2012.



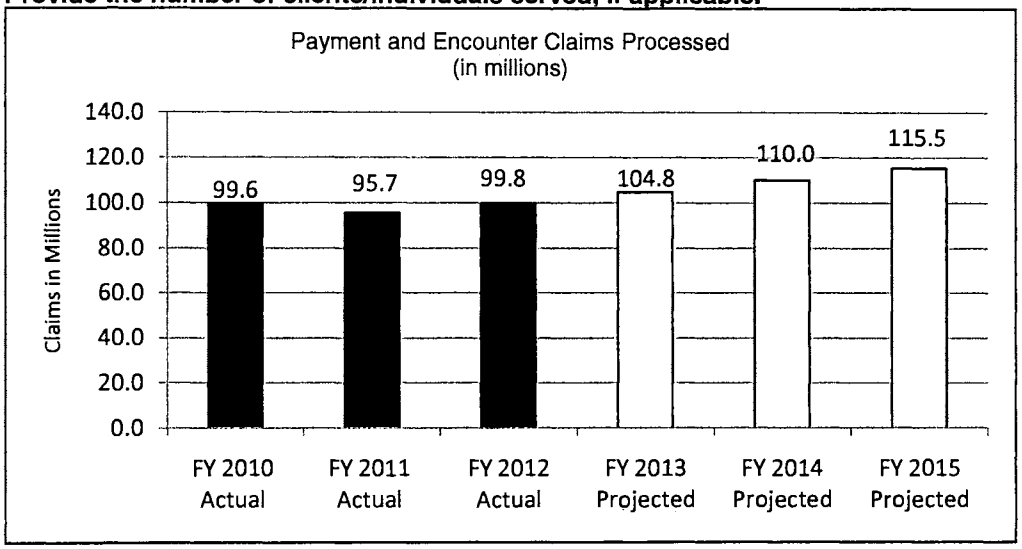


6b. Provide an efficiency measure.

Efficiency Measure: Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2012, over 99.8 million claims were processed.



6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HEALTHNET ADMIN								
Sustaining MO HealthNet Tech - 1886019								
MANAGEMENT ANALYSIS SPEC II	0	0.00	0	0.00	160,848	4.00	160,848	4.00
SPECIAL ASST PROFESSIONAL	0	0.00	0	0.00	234,152	3.00	234,152	3.00
TOTAL - PS	**0**	**0.00**	**0**	**0.00**	**395,000**	**7.00**	**395,000**	**7.00**
TRAVEL, IN-STATE	0	0.00	0	0.00	1,400	0.00	1,400	0.00
SUPPLIES	0	0.00	0	0.00	2,450	0.00	2,450	0.00
PROFESSIONAL SERVICES	0	0.00	0	0.00	36,150	0.00	36,150	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**40,000**	**0.00**	**40,000**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$435,000**	**7.00**	**$435,000**	**7.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$112,500**	**0.52**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$322,500**	**6.48**	**$322,500**	**6.48**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$112,500**	**0.52**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
INFORMATION SYSTEMS								
Sustaining MO HealthNet Tech - 1886019								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	8,716,867	0.00	8,716,867	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**8,716,867**	**0.00**	**8,716,867**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$8,716,867**	**0.00**	**$8,716,867**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$2,021,687**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$6,695,180**	**0.00**	**$6,695,180**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,021,687**	**0.00**

Transfer Increase Authority

NEW DECISION ITEM
RANK: 13

Department: Social Services
Division: MO HealthNet
DI Name: Fund Transfer Increase Authority

Budget Unit: 90537C, 90535C,90840C,90845C,90850C,90855C,90570C

DI#: 1886016

1. AMOUNT OF REQUEST

	FY 2014 Budget Request				FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total	GR	Federal	Other	Total
PS								
EE								
PSD				0				0
TRF	129,832,303		134,088,559	263,920,862	129,832,303		134,088,559	263,920,862
Total	129,832,303		134,088,559	263,920,862	129,832,303		134,088,559	263,920,862
FTE				0.00				0.00
Est. Fringe	0	0	0	0	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (0142)
Nursing Facility Reimbursement Allowance Fund (0196)
Pharmacy Reimbursement Allowance Fund (0144)
Intergovernmental Transfer Fund (0139)

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (0142)
Nursing Facility Reimbursement Allowance Fund (0196)
Pharmacy Reimbursement Allowance Fund (0144)
Intergovernmental Transfer Fund (0139)

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Align planned spending with appropriations		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI Synopsis: Increase fund authority to allow transfers between funds to demonstrate to Centers for Medicare and Medicaid Services (CMS) the state match to earn Federal funds.

CMS requires that MO HealthNet demonstrate that the State has the state match to earn federal funds. For purposes of earning Federal funds on the provider tax assessments, this is accomplished by transferring cash from GR to the respective provider tax fund and then back to GR. Intergovernmental transfers are made between public entities to demonstrate state match. It is anticipated that additional appropriation authority will be necessary to operate MO HealthNet transfers for fiscal year 2014. Lines with estimated appropriation shortfalls totaling $263,920,862 include Federal Reimbursement Allowance Fund Transfer, Nursing Facility Reimbursement Allowance Fund Transfer, Pharmacy Reimbursement Allowance Fund Transfer and Intergovernmental Transfer Fund.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Department Request:

Based on projected MO HealthNet transfers for fiscal year 2014, it is anticipated that additional appropriation authority will be necessary to operate MO HealthNet transfers for fiscal year 2014. Lines with estimated appropriation shortfalls totaling $263,920,862 include Federal Reimbursement Allowance Fund Transfer, Nursing Facility Reimbursement Allowance Fund Transfer, Pharmacy Reimbursement Allowance Fund Transfer and Intergovernmental Transfer Fund. Listed below is the breakout.

	Total	GR	Other
Federal Reimbursement Allowance	$ 198,347,656	$ 99,173,828	$ 99,173,828
Nursing Facility Reimbursement Allowance	$ 59,787,732	$ 29,893,866	$ 29,893,866
Pharmacy Reimbursement Allowance	$ 1,529,218	$ 764,609	$ 764,609
Intergovernmental Transfer	$ 4,256,256	$ -	$ 4,256,256
Total	$ 263,920,862	$129,832,303	$ 134,088,559

The Governor recommended as requested.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions							0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers	129,832,303				134,088,559		263,920,862		
Total TRF	**129,832,303**		**0**		**134,088,559**		**263,920,862**		**0**
Grand Total	**129,832,303**	**0.0**	**0**	**0.0**	**134,088,559**	**0.0**	**263,920,862**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions									
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers	129,832,303				134,088,559		263,920,862		
Total TRF	**129,832,303**		**0**		**134,088,559**		**263,920,862**		**0**
Grand Total	**129,832,303**	**0.0**	**0**	**0.0**	**134,088,559**	**0.0**	**263,920,862**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6b. Provide an efficiency measure.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6c. Provide the number of clients/individuals served, if applicable.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

6d. Provide a customer satisfaction measure, if available.

Since this decision item is a combined request for the increase in authority of several funds, measures are incorporated in the individual program descriptions.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR PHARMACY FRA TRANSFER								
Transfer Authority Increase - 1886016								
TRANSFERS OUT	0	0.00	0	0.00	764,609	0.00	764,609	0.00
TOTAL - TRF	**0**	**0.00**	**0**	**0.00**	**764,609**	**0.00**	**764,609**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$764,609**	**0.00**	**$764,609**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$764,609**	**0.00**	**$764,609**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY FRA TRANSFER								
Transfer Authority Increase - 1886016								
TRANSFERS OUT	0	0.00	0	0.00	764,609	0.00	764,609	0.00
TOTAL - TRF	0	0.00	0	0.00	764,609	0.00	764,609	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$764,609	0.00	$764,609	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$764,609	0.00	$764,609	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT EXPEND TRANSFER								
Transfer Authority Increase - 1886016								
TRANSFERS OUT	0	0.00	0	0.00	4,256,256	0.00	4,256,256	0.00
TOTAL - TRF	**0**	**0.00**	**0**	**0.00**	**4,256,256**	**0.00**	**4,256,256**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$4,256,256**	**0.00**	**$4,256,256**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$4,256,256**	**0.00**	**$4,256,256**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR FRA-TRANSFER								
Transfer Authority Increase - 1886016								
TRANSFERS OUT	0	0.00	0	0.00	99,173,828	0.00	99,173,828	0.00
TOTAL - TRF	**0**	**0.00**	**0**	**0.00**	**99,173,828**	**0.00**	**99,173,828**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$99,173,828**	**0.00**	**$99,173,828**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$99,173,828**	**0.00**	**$99,173,828**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FED REIMBURSE ALLOW-TRANSFER								
Transfer Authority Increase - 1886016								
TRANSFERS OUT	0	0.00	0	0.00	99,173,828	0.00	99,173,828	0.00
TOTAL - TRF	0	0.00	0	0.00	99,173,828	0.00	99,173,828	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$99,173,828	0.00	$99,173,828	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$99,173,828	0.00	$99,173,828	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR NFFRA-TRANSFER								
Transfer Authority Increase - 1886016								
TRANSFERS OUT	0	0.00	0	0.00	29,893,866	0.00	29,893,866	0.00
TOTAL - TRF	**0**	**0.00**	**0**	**0.00**	**29,893,866**	**0.00**	**29,893,866**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$29,893,866**	**0.00**	**$29,893,866**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$29,893,866**	**0.00**	**$29,893,866**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITY REIM-TRANSFER								
Transfer Authority Increase - 1886016								
TRANSFERS OUT	0	0.00	0	0.00	29,893,866	0.00	29,893,866	0.00
TOTAL - TRF	**0**	**0.00**	**0**	**0.00**	**29,893,866**	**0.00**	**29,893,866**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$29,893,866**	**0.00**	**$29,893,866**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$29,893,866**	**0.00**	**$29,893,866**	**0.00**

Increase in Medicaid Child Participants

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: Increase in Medicaid Child Participants

Budget Unit: 90541C,90544C,90546C,90550C,90551C,90552C,90561C and 90564C
DI#: 1886030

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				0
TRF				
Total	0	0		0
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	11,757,539	30,275,903	6,905,223	48,938,665
TRF				
Total	11,757,539	30,275,903	6,905,223	48,938,665
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates, Third Party Liability, Hospital FRA, Nursing Home FRA, Pharmacy FRA, Ambulance FRA

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Caseload Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funds anticipated increase in children enrolled in Medicaid from parents and caretakers seeking health care coverage through transitional healthcare coverage or the Federal insurance exchange.

Low income parents and caretakers without access to health care coverage will apply for coverage through transitional healthcare coverage or through the Federal insurance exchange. To be eligible for coverage, parents and caretakers must enroll children in their household. This new decision items funds anticipated caseload growth in the number of children in families under 138% of the Federal Poverty Level (FPL) enrolled in Medicaid. Today some of these children are uninsured and will be insured in the future (woodwork effect), and some children are insured today; however, their families will drop coverage or employer sponsored health care benefits will no longer be available to the family so the family will apply for Medicaid benefits for their children (crowd out).

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Crowd Out

• 10% of insured children under age 18 in families with incomes up to 138% of the Federal Poverty Level (FPL) (data obtained from U.S. Census Bureau 2011 American
• Community Survey "Health Insurance Coverage Status and Type by Ratio of Income to Poverty Level") are in a family who will drop private insurance, their employer will drop insurance or the family will seek Medicaid benefits as a second payer.

Woodwork

• Parents and caretakers seeking health care coverage under transiitonal healthcare coverage or through a Federal insurance exchange will apply for Medicaid benefits for the uninsured children living in their households. Data on uninsured children obtained from U.S. Census Bureau 2011 American Community Survey "Health Insurance Coverage Status and Type by Ratio of Income to Poverty Level."
• 60% of the uninsured children in families with incomes below 138% FPL will enroll in Medicaid in CY 2014.

Cost

• Per Member Per Month (PMPM) cost based on FY 2012 cost of current child populations with a 4.2% trend applied.
• Costs are reimbursable at the regular federal matching rate since these children are eligible under the current Medicaid program.

Woodwork and Crowd Out

(Six month cost January - June 2014)

New Participants	32,457
PMPM	$251.30
Total Estimated Costs for 6 months	**$48,938,665**
State Share	$18,662,762
Federal Share	$30,275,903
FFP	61.865%

Appropriation	Total	Federal Share	Total State Share	State Share Breakout					
				GR	Pharmacy Rebates	TPL	Pharmacy FRA	Ambulance FRA	Hospital FRA
				101	114	120	144	958	142
Hospital	$ 7,306,369	$4,520,085	$ 2,786,284	$658,427	$0	$7,236	$0	$0	$2,120,621
Dental Services	$ 317,240	$196,261	$ 120,979	$120,979	$0	$0	$0	$0	$0
Pharmacy	$ 8,396,198	$5,194,307	$ 3,201,891	$925,205	$1,585,618	$49,309	$641,759	$0	$0
Physician Related	$ 6,919,984	$4,281,048	$ 2,638,936	$2,622,058	$0	$16,878	$0	$0	$0
In-Home Services	$ 28,368	$17,550	$ 10,818	$10,818	$0	$0	$0	$0	$0
Rehab and Specialty Services	$ 765,205	$473,394	$ 291,811	$288,308	$0	$0	$0	$3,503	$0
Non Emergency Transportation	$ 48,412	$29,950	$ 18,462	$18,462	$0	$0	$0	$0	$0
Managed Care Premiums	$ 25,156,889	$15,563,308	$ 9,593,581	$7,113,282	$0	$0	$0	$0	$2,480,299
Total	$ 48,938,665	$30,275,903	$18,662,762	$11,757,539	$1,585,618	$73,423	$641,759	$3,503	$4,600,920

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0.0000**
Total EE	**0**		**0**		**0**		**0**		**0.0000**
Program Distributions					0		0		
Total PSD	**0**		**0**		**0**		**0**		**0.0000**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0.0000**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0.0000**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0.0000**
Total EE	**0**		**0**		**0**		**0**		**0.0000**
Program Distributions	11,757,539		30,275,903		6,905,223		48,938,665		
Total PSD	**11,757,539**		**30,275,903**		**6,905,223**		**48,938,665**		**0.0000**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0.0000**
Grand Total	**11,757,539**	**0.0**	**30,275,903**	**0.0**	**6,905,223**	**0.0**	**48,938,665**	**0.0**	**0.0000**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	8,396,198	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**8,396,198**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$8,396,198**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$925,205**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$5,194,307**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,276,686**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	6,919,984	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**6,919,984**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$6,919,984**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,622,058**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,281,048**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$16,878**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
DENTAL								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	317,240	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**317,240**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$317,240**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$120,979**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$196,261**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOME HEALTH								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	28,368	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**28,368**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$28,368**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$10,818**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$17,550**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	765,205	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**765,205**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$765,205**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$288,308**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$473,394**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$3,503**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	48,412	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**48,412**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$48,412**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$18,462**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$29,950**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	25,156,889	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**25,156,889**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$25,156,889**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$7,113,282**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$15,563,308**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,480,299**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
Increase Medicaid Child Partic - 1886030								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	7,306,369	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**7,306,369**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$7,306,369**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$658,427**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,520,085**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,127,857**	**0.00**

Authority Increase

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division:MO Health Net
DI Name: Authority Increase

Budget Unit: 90550C, 90571C

DI#: 1886026,1886024

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				0
TRF				
Total	0	0	0	0
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		33,457,814	27,540,753	60,998,567
TRF				
Total	0	33,457,814	27,540,753	60,998,567
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Ambulance Service Reimbursment Fund (0958),Intergovermental Transfer Fund(0139)

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Align appropriation with anticipated spending		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: This request is for additional appropriation authority for the Ambulance Service Reimbursement Allowance Fund within the Rehab and Specialty Service Program , and the federal and Intergovernmental Transfer (IGT) Fund in the IGT (DMH) Medicaid Program.

The increase will allign the appropriations with anticipated spending.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The Governor has recommended additional authority in the Ambulance Service Reimbursement Allowance Fund appropriation and the federal and state appropriations in the IGT (DMH) Program, based on current expenditures.

Program	Total	Federal	Other
Rehab and Specialty Service	$6,820,250		$6,820,250
IGT DMH	$54,178,317	$33,457,814	$20,720,503
Total	**$60,998,567**	**$33,457,814**	**$27,540,753**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE									
Program Distributions (800)	0				0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions			33,457,814		27,540,753		60,998,567		
Total PSD	**0**		**33,457,814**		**27,540,753**		**60,998,567**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**33,457,814**	**0.0**	**27,540,753**	**0.0**	**60,998,567**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.
N/A

6b. Provide an efficiency measure.
N/A

6c. Provide the number of clients/individuals served, if applicable.
N/A

6d. Provide a customer satisfaction measure, if available.
N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:
N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Amb Reimbursement Allowance - 1886026								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	6,820,250	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**6,820,250**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$6,820,250**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$6,820,250**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT DMH MEDICAID PROGRAM								
DMH IGT Increased Authority - 1886024								
TRANSFERS OUT	0	0.00	0	0.00	0	0.00	54,178,317	0.00
TOTAL - TRF	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**54,178,317**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$54,178,317**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$33,457,814**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$20,720,503**	**0.00**

FMAP Rate

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: FMAP

Budget Unit: 90541C, 90544C, 90546C, 90547C, 90549C, 90550C, 90551C, 90552C, 90556C, 90561C, 90564C, 90568C
DI#: 1886022

1. AMOUNT OF REQUEST

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD					PSD	11,121,883	498,073		11,619,956
TRF					TRF				
Total					Total	**11,121,883**	**498,073**	**0**	**11,619,956**
FTE					FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding to address the change in the Federal Medical Assistance Percentage (FMAP). Changes are regular rate from 61.89% blended to 61.865% blended and enhanced rate from 73.32% blended to 73.305% blended.

This funding is requested to compensate for the change in the Federal Medical Assistance Percentage (FMAP). Each year the Centers for Medicare and Medicaid Services (CMS) revises the percentage of Medicaid costs that the federal govennment will reimburse to each state. Effective October 1, 2013, the FMAP rate will increasee from 61.37% to 62.03%. The enhanced FMAP rate for the CHIP children and the Women with Breast or Cervical Cancer program will increase from 72.96% to 73.42%. As a result, the MO HealthNet Division seeks to continue program core funding at current levels by compensating for this change in federal funding levels. The increased costs of this decision item have an equal offset in the affected program cores as core reductions. The Federal Authority is Social Security Act 1905(b).

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Since the federal fiscal year (FFY) doesn't begin until the second quarter of the state fiscal year (SFY), a SFY blended rate is applied to the SFY core funding. This blended rate is derived by adding the old FFY rate (61.37%) for three months (July thru September) and the new FFY rate (62.03%) for nine months (October thru June) and dividing by 12 months, resulting in a SFY blended rate of 61.865%. This same procedure is applied to the enhanced federal match for the CHIP program and the women with Breast or Cervical Cancer program. The enhanced old FFY rate of 72.96% for three months (July thru September) and the new FFY rate of 73.42% for nine months (October thru June) results in an enhanced SFY blended rate of 73.305%. In order to continue current core funding, these blended rates are applied to the SFY 13 core funding resulting in a revised mix of funding sources while maintaining the same total. Based on the review of all program cores and the change in FMAP, the below increases are needed to maintain total funding at the correct level.

Governor's Recommendations:

Governor's Recommendations include the updated FMAP percentage that the federal government will use.

	Total	GR	Federal	Other
Pharmacy	1,292,598	1,292,598	0	0
Physician	619,431	619,431	0	0
Dental	5,227	5,227	0	0
Premium Payments	550,237	550,237	0	0
Home Health	1,842	1,842	0	0
PACE	1,701	1,701	0	0
Nursing Facility	134,022	134,022	0	0
Long Term Care	9,893	0	9,893	0
Rehab & Specialty	200,411	0	200,411	0
NEMT	7,596	7,596	0	0
Managed Care	3,923,618	3,923,618	0	0
Hospital	4,585,611	4,585,611	0	0
CHIP	245,022	0	245,022	0
Women's Health	42,747	0	42,747	0
Total	$11,619,956	$11,121,883	$498,073	$0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
							0	0.0	
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
							0		
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0				0		0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
							0	0.0	
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
							0		
							0		
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	11,121,883		498,073		0		11,619,956		
Total PSD	**11,121,883**		**498,073**		**0**		**11,619,956**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**11,121,883**	**0.0**	**498,073**	**0.0**	**0**	**0.0**	**11,619,956**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Year	Regular FFP Rates		Enhanced FFP Rates (CHIP Program)	
	FFY	SFY	FFY	SFY
2009	63.19%	63.00%	74.23%	74.10%
2010	64.51%	64.18%	75.16%	74.93%
2011	63.29%	63.595%	74.30%	74.515%
2012	63.45%	63.41%	74.42%	74.39%
2013	61.37%	61.89%	72.96%	73.32%
2014	62.03%	61.87%	73.42%	73.305%

Since the FMAP adjustments represent a funding source rather than a particular program, measures for the FMAP adjustments are incorporated into the specific MO HealthNet program sections.

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

- Maintain flow of federal financial participation in the healthcare arena. (Beyond DSS)
- The MO HealthNet Division performs detailed projections for all program cores. These projections include adjusting the federal participation level to the percentage in effect for SFY14.

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,292,598	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,292,598**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,292,598**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,292,598**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	619,431	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**619,431**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$619,431**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$619,431**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
DENTAL								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	5,227	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**5,227**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$5,227**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$5,227**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PREMIUM PAYMENTS								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	550,237	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**550,237**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$550,237**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$550,237**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITIES								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	134,022	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**134,022**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$134,022**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$134,022**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOME HEALTH								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,842	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,842**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,842**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,842**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PACE								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,701	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,701**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,701**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,701**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
LONG TERM SUPPORT PAYMENTS								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	9,893	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**9,893**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$9,893**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$9,893**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	200,411	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**200,411**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$200,411**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$200,411**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	7,596	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**7,596**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$7,596**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$7,596**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,923,618	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**3,923,618**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$3,923,618**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$3,923,618**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	4,585,611	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**4,585,611**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,585,611**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,585,611**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	42,747	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**42,747**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$42,747**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$42,747**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
FMAP Adjustment - 1886022								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	245,022	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**245,022**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$245,022**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$245,022**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Transitional Medicaid

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: Transitional Medicaid

Budget Unit: 90541C, 90544C,90546C, 90549C, 90550C, 90551C, 90552C, 90554C, 90561C, 90572C, 90573C

DI#: 1886028

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				0
TRF				
Total	0	0		0
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	(16,882,547)	886,249,158	(15,109,173)	854,257,438
TRF				
Total	(16,882,547)	886,249,158	(15,109,173)	854,257,438
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates, Third Party Liability, Hospital FRA, Nursing Home FRA, Pharmacy FRA, Ambulance FRA

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate	X	Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPISIS: Expands Health Care Coverage to non-elderly Missouri adults with incomes below 138% of the Federal Poverty Level (FPL).

Federal law allows states to expand health care coverage under the Medicaid program to non-elderly, low income adults up to 133% of the FPL. This same law includes a 5% disregard of income when determining eligibility for health care benefits; thus, adults with incomes up to 138% FPL will qualify. All costs for this population will be paid by the Federal government through calendar year 2016. Thereafter, the State share will phase in to a maximum of 10% by calendar year 2020.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Uninsured Newly Covered

- Newly covered adult Missourians are between the ages of 18 and 64, are not receiving Medicare and have incomes up to 138% of the Federal Poverty Level (FPL).
- Adults are categorized as parents, childless adults and Medically Frail.
- Population data for the number of uninsured in Missouri was obtained from the U.S. Census Bureau 2011 American Community Survey Table "Health Insurance Coverage Status and Type by Ratio of Income to Poverty Level."
- The number of uninsured estimated as Medically Frail is based on the 2010 Census Bureau, Americans with Disabilities: Table 1, "Prevalence of Disability for Selected Age Groups: 2005 and 2010."
- Take up rates by category were state determined based on an analysis of Missouri's population, take up rates experienced with prior expansions, and take up rates experienced by other states following an expansion. Take up rates by category are:
  - Parents: 70% for the first year, increasing to 80%
  - Childless Adults: 60% for the first year, increasing to 80%
  - Medically Frail: 95%
- Cost is 100% Federally funded.

Crowd Out

- 10% of insured Missourian's between the ages of 18 and 64 with incomes up to 138% FPL (data obtained from U.S. Census Bureau 2011 American Community Survey able "Health Insurance Coverage Status and Type by Ratio of Income to Poverty Level") will drop private insurance, their employer will drop insurance or they will seek Medicaid benefits as a second payer.
- Cost is 100% Federally funded.

Per Member Per Month (PMPM) Cost

- PMPM rates were developed by a contracted actuary (Mercer). The rate for the medically frail was state-developed based on an analysis of this specific population.
- Other PMPM assumptions include:
  - Commercial reimbursement payment levels with trend adjustments.
  - Medically Frail population will also be eligible for a wrap around benefit, including in-home services and mental health services.
  - The maximum permissible cost sharing for eligibles between 100% and 138% FPL.

Savings in Current Medicaid/MO HealthNet Programs

- Certain individuals who qualify for Medicaid today through spenddown or who are covered under the state-only Blind Pension medical benefit will be eligible for Medicaid coverage under the expansion.
- Certain individuals who qualify for Medicaid today through a special program (pregnant women, ticket to work or breast and cervical cancer treatment) will qualify for Medicaid coverage under the expansion before they meet today's requirements to qualify (a woman will seek coverage before a pregnancy or an individual will seek coverage prior to a cancer diagnosis) or will not have to meet additional requirements (such as the work requirements under ticket to work) to qualify.
- Current Medicaid program costs will be less over time as individuals qualify under the expansion and are eligible for the enhanced federal match rather than under the

Expansion and Crowd Out

	Participants	Six Months Cost	
Parents	115,685	$295,228,120	
Childless Adults	124,032	$421,124,008	
Medically Frail	19,782	$191,135,894	
	259,499	**$907,488,022**	**Federal Cost**
		($48,482,869)	Less cost for Department of Mental Health Services (found in Department of Mental Health budget)
		$859,005,153	**Total Federal Cost**

Savings: Current Medicaid/MO HealthNet Programs

	State Savings								Total State Savings	Federal Cost
	GR	Pharmacy Rebates	TPL	Pharmacy FRA	NH FRA	Healthy Families Trust	Ambulance FRA	Hospital FRA		
	101	114	120	144	196	625	958	142		
Pregnant Women										
Hospital	($1,343,802)							($3,150,436)	($4,494,238)	$4,494,238
Dental Services	($73,856)								($73,856)	$73,856
Pharmacy	($367,140)	($628,699)	($19,551)	($254,458)					($1,269,848)	$1,269,848
Physician Related	($3,071,696)		($16,878)			($10,845)			($3,099,419)	$3,099,419
Rehab and Specialty Services	($101,118)						($1,227)		($102,345)	$102,345
Non Emergency Transportation	($8,039)								($8,039)	$8,039
Mental Health Services	($225,463)								($225,463)	$225,463
State Institutions	($2,146)								($2,146)	$2,146
Managed Care Premiums	($3,517,528)							($1,225,502)	($4,743,030)	$4,743,030
									($14,018,384)	**$14,018,384**
Breast and Cervical Cancer Treatment										
Nursing Facilities	($2,638)		($35)		($1,915)				($4,588)	$4,588
Hospital	($182,368)							($589,363)	($771,731)	$771,731
Dental Services	($699)								($699)	$699
Pharmacy	($95,169)	($162,886)	($5,065)	($65,926)					($329,046)	$329,046
Physician Related	($217,704)					($1,965)			($219,669)	$219,669
Rehab and Specialty Services	($12,141)						($147)		($12,288)	$12,288
Non Emergency Transportation	($471)								($471)	$471
Mental Health Services	($843)								($843)	$843
									($1,339,335)	**$1,339,335**

Ticket to Work

Hospital	($25,447)							($82,224)	($107,671)	$107,671
Dental Services	($378)								($378)	$378
Pharmacy	($25,338)	($42,513)	($1,322)	($17,206)					($86,379)	$86,379
Physician Related	($46,491)					($420)			($46,911)	$46,911
Rehab and Specialty Services	($7,258)						($88)		($7,346)	$7,346
Mental Health Services	($250,427)								($250,427)	$250,427
State Institutions	($5,638)								($5,638)	$5,638
									($504,750)	**$504,750**

Savings: Current Medicaid/MO HealthNet Programs (cont.)

	State Savings								Total State Savings	Federal Cost
	GR	Pharmacy Rebates	TPL	Pharmacy FRA	NH FRA	Healthy Families Trust	Ambulance FRA	Hospital FRA		
	101	114	120	144	196	625	958	142		
Spenddown										
Nursing Facilities	($71,642)		($934)		($52,027)				($124,603)	$124,603
Hospital	($1,942,452)							($5,085,113)	($7,027,565)	$7,027,565
Dental Services	($12,331)								($12,331)	$12,331
Pharmacy	($1,455,558)	($2,494,539)	($77,573)	($1,009,633)					($5,037,303)	$5,037,303
Physician Related	($1,250,207)					($11,284)			($1,261,491)	$1,261,491
Rehab and Specialty Services	($466,135)						($5,664)		($471,799)	$471,799
Mental Health Services	($1,044,843)								($1,044,843)	$1,044,843
									($14,979,935)	**$14,979,935**
Blind Pension										
Blind Pension Medical Benefits	($627,067)								**($627,067)**	**$627,067**
Health Benefits										
Women's Health Benefits	($428,514)							($93,735)	**($522,249)**	**($4,225,466)**

Summary

	State Savings									
	GR	Rebates	TPL	Pharmacy FRA	NH FRA	Healthy Families	Ambulance FRA	Hospital FRA	Net State Savings	Net Federal Cost
	101	114	120	144	196	625	958	142		
New Participants/Crowd Out										$859,005,153
Current Eligibles Savings	($16,882,547)	($3,328,637)	($121,358)	($1,347,223)	($53,942)	($24,514)	($7,126)	($10,226,373)	($31,991,720)	$27,244,005
	($16,882,547)	($3,328,637)	($121,358)	($1,347,223)	($53,942)	($24,514)	($7,126)	($10,226,373)	($31,991,720)	$886,249,158

	GR	FED	Other	Total
Total Savings	($16,882,547)	($4,225,466)	($15,109,173)	($36,217,186)
Total Federal Cost		$890,474,624		$890,474,624
Total Net Cost	($16,882,547)	$886,249,158	($15,109,173)	$854,257,438

Does not include savings that are included in the Department of Mental Health and Department of Corrections budgets.
Does not include savings for In-Home Services accounted for in the Department of Health and Senior Services budget.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0	0.0	0	0.0	0	0.0	0	0.0	0
Program Distributions					0		0		
Total PSD	0		0		0		0		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	0	0.0	0	0.0	0	0.0	0	0.0	0

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	0	0.0	0	0.0	0	0.0	0	0.0	0
Total EE	0		0		0		0		0
Program Distributions	($16,882,547)		$886,249,158		($15,109,173)		$854,257,438		
Total PSD	**($16,882,547)**		**$886,249,158**		**($15,109,173)**		**$854,257,438**		0
Transfers									
Total TRF	0		0		0		0		0
Grand Total	**($16,882,547)**	**$0**	**$886,249,158**	**$0**	**($15,109,173)**	**$0**	**$854,257,438**	0.0	0

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(6,722,576)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(6,722,576)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($6,722,576)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(6,156,850)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(6,156,850)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($6,156,850)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
DENTAL								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(87,264)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(87,264)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($87,264)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITIES								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(129,191)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(129,191)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($129,191)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(593,778)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(593,778)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($593,778)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(8,510)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(8,510)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($8,510)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(4,743,030)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(4,743,030)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($4,743,030)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(12,401,205)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(12,401,205)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($12,401,205)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(4,747,715)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(4,747,715)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($4,747,715)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
TRANSITIONAL MEDICAID								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	890,474,624	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**890,474,624**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$890,474,624**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$890,474,624**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
BLIND PENSION MEDICAL BENEFITS								
Transitional Medicaid - 1886028								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	(627,067)	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(627,067)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($627,067)**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**		**0.00**

Foster Children Medicaid Coverage to Age 26

NEW DECISION ITEM
RANK: 999

Department: Social Services
Division: MO HealthNet
DI Name: Foster Children Medical Coverage to age 26

Budget Units: 90541C, 90544C, 90546C, 90550C, 90561C, 90551C and 90552C
DI#: 1886025

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				0
TRF				
Total	0			0
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		6,564,960		6,564,960
TRF				
Total	0	6,564,960	0	6,564,960
FTE				
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Medical coverage for foster children who age out of the foster care system to age 26.

Reasearch shows that children in foster care have more health problems than the general population or the population of poor children. Recognizing this, Missouri currently provides Medicaid coverage for individuals that age out of the foster system until the age of 21. Sections 2004 and 10201 of the Patient Protection and Affordable Care Act requires states to provide Medicaid coverage for these individuals until the age of 26, who do not fall into any other Medicaid eligibility category. Individuals who qualify through this eligibility are covered 100% by federal funding until federal fiscal year 2017.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Under sections 2004 and 10201 of the Affordable Care Act, states are required to provide Medicaid coverage to children under age 26 who were in foster care when they turned 18, were enrolled in Medicaid while in foster care and do not fall into any other Medicaid eligibility category or any eligibility category for other public health care coverage. Medicaid population expansions toare covered by federal funds until CY 2017, at which time the percentage starts to decrease until, ultimately, expanded populations are covered at 90% federal funds, 10% state funds.

Based on the number of children in foster care who are 20 years old (376), the department expects to provide coverage for 1,880 new people (estimated 376 people per year of age from 21 -26). The cost per month of care averages $291, resulting in a monthly cost of $547,080 and an annual cost of $6,564,960 to cover 21- 26 year-olds who have aged out of foster care.

Program splits are based on historic funding levels and are as follows:

Pharmacy	665,116	10.13%
Physician	778,800	11.86%
Dental	41,904	0.64%
Rehab	60,720	0.92%
NEMT	12,437	0.19%
Managed Care	3,741,924	57.00%
Hospital	1,264,059	19.25%
Total	**6,564,960**	**100.00%**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0						0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions			6,564,960				6,564,960		
Total PSD	**0**		**6,564,960**		**0**		**6,564,960**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**6,564,960**	**0.0**	**0**	**0.0**	**6,564,960**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

The department expects to serve 1,880 new recipients.

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
Foster Children Medicaid - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	665,116	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**665,116**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$665,116**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$665,116**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
Foster Children Medicaid - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	778,800	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**778,800**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$778,800**	**0.00**
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$778,800	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
DENTAL								
Foster Children Medicaid - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	41,904	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	41,904	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$0	0.00	$41,904	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$41,904	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Foster Children Medicaid - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	60,720	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	60,720	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$0	0.00	$60,720	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$60,720	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
Foster Children Medicaid - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	12,437	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**12,437**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$12,437**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$12,437**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Foster Children Medicaid - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	3,741,924	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**3,741,924**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$3,741,924**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$3,741,924**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
Foster Children Medicaid - 1886025								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	1,264,059	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,264,059**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,264,059**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,264,059**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Nursing Facility Rate
Increase

NEW DECISION ITEM
RANK: 999

Department: Social Services | **Budget Unit: 90549C,90550C**
Division: MO HealthNet
DI Name: Nursing Facility Rate Increase | **DI#: 1886034**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	0	19,378,254	11,945,199	31,323,453
TRF				0
Total		**19,378,254**	**11,945,199**	**31,323,453**
FTE				**0.00**
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: 0421 Mo Senior Services Protection Fund

2. THIS REQUEST CAN BE CATEGORIZED AS:

_____	New Legislation	_____	New Program	_____	Fund Switch
_____	Federal Mandate	_____	Program Expansion	_____	Cost to Continue
_____	GR Pick-Up	_____	Space Request		Equipment Replacement
_____	Pay Plan	_____	Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: This increases the Nursing Facility rate by approximately 3%.

This funding would increase the average nursing facility per diem by $3.72 (from FY 2014 estimated $147.43 to $151.15). Note: certain parts of the rate are not trended (e.g., capital).

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This funding would increase the average nursing facility per diem by $3.72 (from FY 2014 estimated $147.43 to $151.15). Note: certain parts of the rate are not

Program	Total	GR	Other	Federal
Nursing Facilities	$31,323,453		$11,945,199	$19,378,254
Rehab and Specialty Services	$2,464,818		$939,957	$1,524,861
Total	$33,788,271		$12,885,156	$20,903,115

Other Funding source- Mo Senior Services Protection Fund, Revenues from redirecting property tax credits for renters.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0				0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		19,378,254		11,945,199		31,323,453		
Total PSD	**0**		**19,378,254**		**11,945,199**		**31,323,453**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**19,378,254**	**0.0**	**11,945,199**	**0.0**	**31,323,453**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITIES								
Nursing Facility Rate Increase - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	31,323,453	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**31,323,453**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$31,323,453**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$19,378,254**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$11,945,199**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Nursing Facility Rate Increase - 1886034								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	2,464,818	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,464,818**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,464,818**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,524,861**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$939,957**	**0.00**

Mo Healthnet
Administration

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
PERSONAL SERVICES								
GENERAL REVENUE	2,599,048	62.91	2,720,702	64.53	2,720,702	64.53	2,720,702	64.53
DEPT OF SOC SERV FEDERAL & OTH	4,859,067	117.70	4,996,743	118.49	4,996,743	118.49	4,996,743	118.49
THIRD PARTY LIABILITY COLLECT	370,658	8.98	379,370	12.29	379,370	12.29	379,370	12.29
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	93,536	2.00	93,536	2.00	93,536	2.00
PHARMACY REIMBURSEMENT ALLOWAN	24,563	0.58	25,500	0.50	25,500	0.50	25,500	0.50
NURSING FAC QUALITY OF CARE	80,192	1.93	81,981	2.45	81,981	2.45	81,981	2.45
HEALTH INITIATIVES	292,960	7.09	309,329	9.35	309,329	9.35	309,329	9.35
MISSOURI RX PLAN FUND	288,352	7.31	742,092	17.00	742,092	17.00	742,092	17.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	17,541	0.50	17,541	0.50	17,541	0.50
TOTAL - PS	8,514,840	206.50	9,366,794	227.11	9,366,794	227.11	9,366,794	227.11
EXPENSE & EQUIPMENT								
GENERAL REVENUE	770,256	0.00	791,357	0.00	791,357	0.00	791,357	0.00
DEPT OF SOC SERV FEDERAL & OTH	2,730,905	0.00	3,367,527	0.00	3,367,527	0.00	3,367,527	0.00
THIRD PARTY LIABILITY COLLECT	492,388	0.00	491,996	0.00	491,996	0.00	491,996	0.00
FEDERAL REIMBURSMENT ALLOWANCE	5,935	0.00	7,708	0.00	7,708	0.00	7,708	0.00
PHARMACY REIMBURSEMENT ALLOWAN	375	0.00	356	0.00	356	0.00	356	0.00
NURSING FAC QUALITY OF CARE	10,281	0.00	10,281	0.00	10,281	0.00	10,281	0.00
HEALTH INITIATIVES	30,428	0.00	31,385	0.00	31,385	0.00	31,385	0.00
MISSOURI RX PLAN FUND	1,236	0.00	55,553	0.00	55,553	0.00	55,553	0.00
AMBULANCE SERVICE REIMB ALLOW	87	0.00	3,466	0.00	3,466	0.00	3,466	0.00
TOTAL - EE	4,041,891	0.00	4,759,629	0.00	4,759,629	0.00	4,759,629	0.00
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL - PD	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL	**12,556,731**	**206.50**	**14,127,453**	**227.11**	**14,127,453**	**227.11**	**14,127,453**	**227.11**
Pay Plan FY13-Cost to Continue - 0000013								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	1,919	0.00	1,919	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	3,522	0.00	3,522	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	292	0.00	292	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	62	0.00	62	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HEALTHNET ADMIN								
Pay Plan FY13-Cost to Continue - 0000013								
PERSONAL SERVICES								
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	13	0.00	13	0.00
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	64	0.00	64	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	241	0.00	241	0.00
MISSOURI RX PLAN FUND	0	0.00	0	0.00	524	0.00	524	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	14	0.00	14	0.00
TOTAL - PS	0	0.00	0	0.00	6,651	0.00	6,651	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**6,651**	**0.00**	**6,651**	**0.00**
Pay Plan FY14-COLA - 0000014								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	24,960	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	45,834	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	3,478	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	857	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	235	0.00
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	0	0.00	752	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	0	0.00	2,839	0.00
MISSOURI RX PLAN FUND	0	0.00	0	0.00	0	0.00	6,811	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	0	0.00	161	0.00
TOTAL - PS	0	0.00	0	0.00	0	0.00	85,927	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**85,927**	**0.00**
Pay Plan Nurses - 0000015								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	3,947	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	0	0.00	7,301	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	734	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	140	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	35	0.00
NURSING FAC QUALITY OF CARE	0	0.00	0	0.00	0	0.00	175	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	0	0.00	559	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HEALTHNET ADMIN								
Pay Plan Nurses - 0000015								
PERSONAL SERVICES								
MISSOURI RX PLAN FUND	0	0.00	0	0.00	0	0.00	1,081	0.00
TOTAL - PS	0	0.00	0	0.00	0	0.00	13,972	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**13,972**	**0.00**
Sustaining MO HealthNet Tech - 1886019								
PERSONAL SERVICES								
GENERAL REVENUE	0	0.00	0	0.00	102,500	0.52	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	292,500	6.48	292,500	6.48
HEALTH INITIATIVES	0	0.00	0	0.00	0	0.00	102,500	0.52
TOTAL - PS	0	0.00	0	0.00	395,000	7.00	395,000	7.00
EXPENSE & EQUIPMENT								
GENERAL REVENUE	0	0.00	0	0.00	10,000	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	30,000	0.00	30,000	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	0	0.00	10,000	0.00
TOTAL - EE	0	0.00	0	0.00	40,000	0.00	40,000	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**435,000**	**7.00**	**435,000**	**7.00**
GRAND TOTAL	**$12,556,731**	**206.50**	**$14,127,453**	**227.11**	**$14,569,104**	**234.11**	**$14,669,003**	**234.11**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MO HealthNet Administration

Budget Unit: 90512C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS	2,720,702	4,996,743	1,649,349	9,366,794
EE	791,357	3,367,527	600,745	4,759,629
PSD		1,030		1,030
TRF				
Total	3,512,059	8,365,300	2,250,094	14,127,453
FTE	64.53	118.49	44.09	227.11
Est. Fringe	*1,517,880*	*2,787,683*	*920,172*	*5,225,734*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Quality of Care Fund (NFQC) (0271)
Third Party Liability Collections Fund (TPL) (0120)
MO Rx Plan Fund (0779)
Federal Reimbursement Allowance Fund (FRA) (0142)
Ambulance Service Reimbursement Allowance Fund (0958)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS	2,720,702	4,996,743	1,649,349	9,366,794
EE	791,357	3,367,527	600,745	4,759,629
PSD		1,030		1,030
TRF				
Total	3,512,059	8,365,300	2,250,094	14,127,453
FTE	64.53	118.49	44.09	227.11
Est. Fringe	*1,379,396*	*2,533,349*	*836,220*	*4,748,965*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Quality of Care Fund (NFQC) (0271)
Third Party Liability Collections Fund (TPL) (0120)
MO Rx Plan Fund (0779)
Federal Reimbursement Allowance Fund (FRA) (0142)
Ambulance Service Reimbursement Allowance Fund (0958)

2. CORE DESCRIPTION

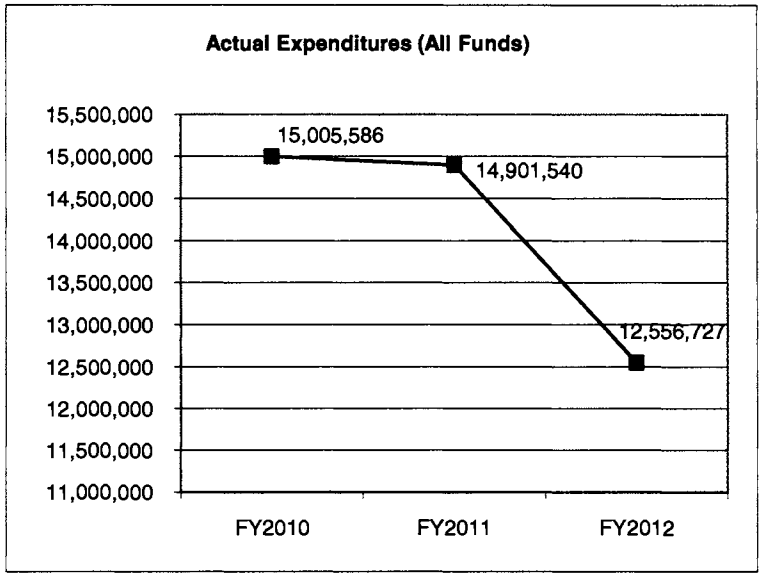
This core request is for the continued operation of the MO HealthNet program. The MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing administrative staffing, expense and equipment and contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

MO HealthNet Administration

4. FINANCIAL HISTORY

	FY2010 Actual	FY2011 Actual	FY2012 Actual	FY2013 Current Yr.
Appropriation (All Funds)	16,385,259	16,444,060	13,985,715	14,127,453
Less Reverted (All Funds)	(517,300)	(199,876)	(114,262)	N/A
Budget Authority (All Funds)	15,867,959	16,244,184	13,871,453	N/A
Actual Expenditures (All Funds)	15,005,586	14,901,540	12,556,727	N/A
Unexpended (All Funds)	862,373	1,342,644	1,314,726	N/A
Unexpended, by Fund:				
General Revenue	3,405	117,586	28	N/A
Federal	802,463	1,004,728	694,310	N/A
Other	56,505	220,330	734,650	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: Agency reserve of $792,218: Federal Funds $328,789 in PS and $450,929 in E&E; MO Rx Plan Funds $2,500 in PS and $10,000 in E&E.

(2) FY 2011: Agency reserve of $730,199: Federal Funds $456,000 in PS and $155,152 in E&E; Federal Reimbursement Allowance Funds $81,639 in PS; Health Initiatives Funds $4,223 in E&E; MO Rx Plan Funds $2,500 in PS and $10,000 in E&E; Ambulance Service Reimbursement Allowance Funds $17,211 in PS and $3,474 in E&E.

(3) FY 2012: Agency reserve of $693,652:Federal Funds $56,000 in PS and $637,652 in E&E; Federal Reimbursment Allowance Funds $92,019 in PS; MO RX Plan Funds $2,500 in PS and $10,000 in E&E; Ambulance Service Reimbursement Allowance Funds $17,211 in PS. $2.35 million core transfer to new centralized MO HealthNet Medicaid Audit and Compliance section.

CORE RECONCILIATION DETAIL

STATE
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			PS	227.11	2,720,702	4,996,743	1,649,349	9,366,794	
			EE	0.00	791,357	3,367,527	600,745	4,759,629	
			PD	0.00	0	1,030	0	1,030	
			Total	**227.11**	**3,512,059**	**8,365,300**	**2,250,094**	**14,127,453**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reallocation	645	1670	PS	0.00	0	0	0	0	
Core Reallocation	645	1753	PS	(0.00)	0	0	0	(0)	
Core Reallocation	645	2849	PS	0.00	0	0	0	0	
Core Reallocation	645	6376	PS	0.00	0	0	0	(0)	
Core Reallocation	645	6378	PS	0.00	0	0	0	0	
Core Reallocation	645	6889	PS	0.00	0	0	0	0	
Core Reallocation	645	1387	PS	0.00	0	0	0	0	
NET DEPARTMENT CHANGES				**(0.00)**	**0**	**0**	**0**	**0**	
DEPARTMENT CORE REQUEST									
			PS	227.11	2,720,702	4,996,743	1,649,349	9,366,794	
			EE	0.00	791,357	3,367,527	600,745	4,759,629	
			PD	0.00	0	1,030	0	1,030	
			Total	**227.11**	**3,512,059**	**8,365,300**	**2,250,094**	**14,127,453**	
GOVERNOR'S RECOMMENDED CORE									
			PS	227.11	2,720,702	4,996,743	1,649,349	9,366,794	
			EE	0.00	791,357	3,367,527	600,745	4,759,629	

CORE RECONCILIATION DETAIL

STATE
MO HEALTHNET ADMIN

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	1,030	0	1,030	
	Total	**227.11**	**3,512,059**	**8,365,300**	**2,250,094**	**14,127,453**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
OFFICE SUPPORT ASST (CLERICAL)	23,064	0.99	23,507	1.00	23,507	1.00	23,507	1.00
SR OFC SUPPORT ASST (CLERICAL)	0	0.00	25,130	1.00	0	0.00	0	0.00
ADMIN OFFICE SUPPORT ASSISTANT	192,975	6.63	180,467	6.00	205,597	7.00	205,597	7.00
OFFICE SUPPORT ASST (KEYBRD)	58,111	2.68	109,794	5.00	109,794	5.00	109,794	5.00
SR OFC SUPPORT ASST (KEYBRD)	268,689	10.97	373,719	15.00	373,719	15.00	373,719	15.00
ACCOUNT CLERK II	117,107	4.72	127,484	5.00	127,484	5.00	127,484	5.00
AUDITOR II	82,109	2.28	146,565	4.00	146,565	4.00	146,565	4.00
AUDITOR I	150,505	4.52	167,878	5.00	167,878	5.00	167,878	5.00
SENIOR AUDITOR	281,860	7.00	285,352	7.00	285,352	7.00	285,352	7.00
ACCOUNTANT I	59,161	2.01	60,293	2.00	60,293	2.00	60,293	2.00
ACCOUNTANT III	161,495	3.92	167,245	4.00	167,245	4.00	167,245	4.00
PERSONNEL OFCR I	40,212	1.00	40,983	1.00	40,983	1.00	40,983	1.00
EXECUTIVE II	34,643	1.00	35,309	1.00	35,309	1.00	35,309	1.00
MANAGEMENT ANALYSIS SPEC II	218,491	4.92	223,441	5.00	223,441	5.00	223,441	5.00
HEALTH PROGRAM REP III	44,219	1.00	45,065	1.00	45,065	1.00	45,065	1.00
PHYSICIAN	77,018	0.70	109,531	1.00	109,531	1.00	109,531	1.00
REGISTERED NURSE IV	21,452	0.41	0	0.00	0	0.00	0	0.00
REGISTERED NURSE V	12,837	0.20	62,800	1.00	0	0.00	0	0.00
REGISTERED NURSE	10,156	0.25	0	0.00	0	0.00	0	0.00
REGISTERED NURSE - CLIN OPERS	185,736	3.37	161,853	3.00	224,653	4.00	224,653	4.00
PROGRAM DEVELOPMENT SPEC	388,487	9.55	419,395	10.00	419,395	10.00	419,395	10.00
MEDICAID PROGRAM RELATIONS REP	160,597	3.96	163,391	4.00	163,391	4.00	163,391	4.00
CORRESPONDENCE & INFO SPEC I	574,053	16.85	669,075	19.50	669,075	19.50	669,075	19.50
MEDICAID PHARMACEUTICAL TECH	213,857	6.86	220,824	7.00	220,824	7.00	220,824	7.00
MEDICAID CLERK	181,147	6.53	226,665	8.00	226,665	8.00	226,665	8.00
MEDICAID TECHNICIAN	854,037	27.23	931,075	28.54	931,075	28.54	931,075	28.54
MEDICAID SPEC	1,019,780	27.47	1,155,632	27.99	1,155,715	27.99	1,155,715	27.99
MEDICAID UNIT SPV	382,986	8.97	541,424	11.00	541,424	11.00	541,424	11.00
FISCAL & ADMINISTRATIVE MGR B1	280,182	5.78	294,803	6.00	294,803	6.00	294,803	6.00
FISCAL & ADMINISTRATIVE MGR B2	184,957	2.98	254,036	4.00	254,036	4.00	254,036	4.00
RESEARCH MANAGER B1	53,291	1.00	54,312	1.00	54,359	1.00	54,359	1.00
SOCIAL SERVICES MGR, BAND 1	96,167	2.01	98,011	2.00	98,011	2.00	98,011	2.00

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
SOCIAL SERVICES MNGR, BAND 2	702,540	13.15	705,682	13.00	705,682	13.00	705,682	13.00
DIVISION DIRECTOR	167,375	0.99	167,384	1.00	167,376	1.00	167,376	1.00
DEPUTY DIVISION DIRECTOR	88,635	1.00	89,005	1.00	89,000	1.00	89,000	1.00
DESIGNATED PRINCIPAL ASST DIV	123,681	1.44	91,618	1.08	91,618	1.08	91,618	1.08
LEGAL COUNSEL	71,776	1.00	71,685	1.00	71,568	1.00	71,568	1.00
TYPIST	902	0.03	0	0.00	0	0.00	0	0.00
MISCELLANEOUS PROFESSIONAL	12,483	0.13	0	0.00	0	0.00	0	0.00
CONSULTING PHYSICIAN	22,539	0.21	0	0.00	0	0.00	0	0.00
SPECIAL ASST PROFESSIONAL	823,175	8.82	761,155	10.00	761,155	10.00	761,155	10.00
SPECIAL ASST OFFICE & CLERICAL	66,786	1.84	105,206	3.00	105,206	3.00	105,206	3.00
REGISTERED NURSE	5,567	0.13	0	0.00	0	0.00	0	0.00
TOTAL - PS	**8,514,840**	**206.50**	**9,366,794**	**227.11**	**9,366,794**	**227.11**	**9,366,794**	**227.11**
TRAVEL, IN-STATE	19,470	0.00	33,530	0.00	33,530	0.00	33,530	0.00
TRAVEL, OUT-OF-STATE	12,592	0.00	5,201	0.00	5,201	0.00	5,201	0.00
SUPPLIES	309,792	0.00	477,700	0.00	477,700	0.00	477,700	0.00
PROFESSIONAL DEVELOPMENT	45,021	0.00	64,701	0.00	64,701	0.00	64,701	0.00
COMMUNICATION SERV & SUPP	106,279	0.00	90,000	0.00	90,000	0.00	90,000	0.00
PROFESSIONAL SERVICES	3,534,618	0.00	3,790,635	0.00	3,790,135	0.00	3,790,135	0.00
M&R SERVICES	8,965	0.00	265,000	0.00	265,000	0.00	265,000	0.00
COMPUTER EQUIPMENT	0	0.00	6,490	0.00	6,490	0.00	6,490	0.00
OFFICE EQUIPMENT	1,239	0.00	8,600	0.00	8,600	0.00	8,600	0.00
OTHER EQUIPMENT	1,184	0.00	2,240	0.00	2,240	0.00	2,240	0.00
PROPERTY & IMPROVEMENTS	100	0.00	6,241	0.00	6,241	0.00	6,241	0.00
BUILDING LEASE PAYMENTS	0	0.00	2,821	0.00	2,821	0.00	2,821	0.00
EQUIPMENT RENTALS & LEASES	0	0.00	1,949	0.00	2,449	0.00	2,449	0.00
MISCELLANEOUS EXPENSES	2,631	0.00	4,521	0.00	4,521	0.00	4,521	0.00
TOTAL - EE	**4,041,891**	**0.00**	**4,759,629**	**0.00**	**4,759,629**	**0.00**	**4,759,629**	**0.00**

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HEALTHNET ADMIN								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	1,030	0.00	1,030	0.00	1,030	0.00
TOTAL - PD	**0**	**0.00**	**1,030**	**0.00**	**1,030**	**0.00**	**1,030**	**0.00**
GRAND TOTAL	**$12,556,731**	**206.50**	**$14,127,453**	**227.11**	**$14,127,453**	**227.11**	**$14,127,453**	**227.11**
GENERAL REVENUE	**$3,369,304**	**62.91**	**$3,512,059**	**64.53**	**$3,512,059**	**64.53**	**$3,512,059**	**64.53**
FEDERAL FUNDS	**$7,589,972**	**117.70**	**$8,365,300**	**118.49**	**$8,365,300**	**118.49**	**$8,365,300**	**118.49**
OTHER FUNDS	**$1,597,455**	**25.89**	**$2,250,094**	**44.09**	**$2,250,094**	**44.09**	**$2,250,094**	**44.09**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: MO HealthNet Administration
Program is found in the following core budget(s): MO HealthNet Administration

1. What does this program do?

In order to efficiently operate the $8.2 billion MO HealthNet program, the MO HealthNet Division effectively utilizes its appropriated staff of 227.11 FTE. Without these staff and expense and equipment resources, the MO HealthNet program would not function. The staff running the MO HealthNet program account for less than .4% of total state employees while the MO HealthNet program comprises 34% of the total FY 2013 state operating budget of $24.0 billion. The Administrative portion of the budget (Personal Services and Expense and Equipment) comprises less than 0.2% of the division's total budget. As of June 2012, there were a total of 889,159 participants enrolled in MO HealthNet for a ratio of 3,915 clients per FTE. Participants and providers benefit from the assistance of the MO HealthNet Division's staff.

Administrative expenditures for the division consist of Personal Services and Expense and Equipment. These expenditures are driven by the operational demands of the MO HealthNet program. The division operates both a fee-for-service program and a managed care program. As of June 2012, there were 441,627 participants eligible for capitated managed care in the Eastern, Central and Western regions of the state. At the same time, fee-for-service programs with 447,532 MO HealthNet participants are being operated for those not in managed care. Administrative expenditures also include payment to contractors for professional services comprising about 84% of the administrative Expense & Equipment expenditures. Examples of professional services include consulting contracts with health care professionals to conduct utilization claim reviews to determine medical necessity of services. Other examples of contracted services include actuarial services and services of an external quality reviewer as required by federal law.

The remaining 16% of administrative Expense and Equipment expenditures goes to support MO HealthNet employees for such needs as supplies, postage, and office equipment. MO HealthNet administration is tightly managed with a primary focus of ensuring that expenditures go to benefit program participants to ensure participants receive needed medical services. MO HealthNet staff also support the MMAC unit in their efforts to protect against waste, fraud and abuse of program dollars.

Personal Services The Division is structured into three major sections: (1) Program Operations; (2) Evidenced-Based Decision Support Unit; and (3) Information Systems.

The Program Operations section incorporates the newest and best technology to accurately and efficiently pay providers in a paperless environment. Technology provides a robust reporting function that is a critical part of the management responsibility of the agency. The Finance Unit within Program Operations consists of the following programs and duties: Financial Services and Reporting; Waiver Financing and Rate Setting; Institutional Reimbursement; Financial Reports and Budget; Pharmacy Fiscal; Cost Recovery and Audit Services; and MMAC liaison. The Program Operations section allows for policy decisions and processes to be oriented to the health and continuum of care needed by participants. Program Operations also consists of the following programs and duties: Managed Care Contract and Operations; Clinical Program Development; Program Relations, Participant Services, and Provider Education; Federal Waiver Programs; Pharmacy Clinical and Exceptions; MoRx; CHIP; NEMT; PACE; and Personnel Liaison.

The Evidence-Based Decision Support Unit is responsible for ensuring that quality medical care is provided to participants. The Evidence-Based Decision Support Unit, led by the division's Medical Director, consists of the following programs and duties: Physicians and Clinics; Quality Section - Managed Care and Fee For Service; Psychology Program; Patient Centered Medical Homes; and Evidence-Based Clinical Decision Development and Support.

The Information Systems section is responsible for the tools and data needed to support MHD decision making and claims processing. The Information Systems section consists of the following programs and duties: MMIS; Medicaid HIN/HIT; Project Management of ICD-10 and 5010; Clinical Management Services Contract; Interdepartmental IS/IT Systems Integration; Clinical Services Technical Support; and Liaison with the State HIT Coordinator. The following provides a brief description of the agency's structure.

Administration

- **Administration** - Establishes goals, objectives, policies, and procedures; overall guidance and direction; legislative guidance on MO HealthNet issues; and final review of the budget and State Plan Amendments.

Program Operations

- **Financial Services and Reporting** - Manages the financial procedures of the division; creates internal expenditure reports; prepares adjustments to claims; receives and deposits payments; manages provider account receivables and 1099 information; and manages lock box, automatic withdrawals and cash deposits for CHIP and spenddown pay-in cases.
- **Waiver Financing and Rate Setting** - Develops capitation rates with actuary for Managed Care Program, NEMT and PACE. Prepares federal budget neutrality reports.
- **Institutional Reimbursement** - Calculates hospital inpatient and outpatient rates and FQHC/RHC reimbursements; sets nursing home reimbursement rates; and administers hospital, nursing facility and ICF/MR provider taxes.
- **Financial Reporting and Budget** - Develops and tracks the division's annual budget request; prepares fiscal notes and program projections; prepares quarterly estimates and expenditure reports required by CMS; prepares legislative bill reviews; and processes accounts payable for the division.
- **Pharmacy Fiscal** - Develops and tracks the Pharmacy budget; prepares fiscal notes, legislative bill reviews and projections for the Pharmacy program; and administers the pharmacy tax.
- **Cost Recovery and Audit Services** - Administers a program to offset MO HealthNet expenditures when participants have third party coverage; MMAC liaison; and provides audit support.
- **Managed Care** - Contract compliance, development and operations of the Managed Care Program.
- **Clinical Program Operations** - Provides day-to-day oversight of MO HealthNet benefit programs. Operationalizes recommendations made by the Evidence-Based Decision Support team.
- **Program Relations** - Responsible for provider education, provider communications, participant services and premium collections.
- **Waivers** - Develops, monitors and evaluates Federal Waiver programs.
- **Pharmacy** - Oversees outpatient prescription drug reimbursement for Fee-For-Service eligibles; operates a toll-free hotline; oversight of contracts with outside vendors for pharmacy program enhancement activities; collects rebates from pharmaceutical manufacturers; coordinates pharmaceutical benefits for the Medicare Part D program.

Evidence-Based Decision Support

•**Evidence-Based Decision Support** - Develops strategies to improve the health status of MO HealthNet participants; assess quality of care provided under Managed Care and Fee-For-Service; evidence based clinical decision development and support; and patient centered medical home management. This section is lead by the MO HealthNet medical director.

Information Services

•**Information Systems** - Payment system and MMIS - oversees and monitors the information system contracts, clinical management services and system for pharmacy and prior authorization contracts. Staff are responsible for the MMIS system that processes 99.8 million claims annually.

Expense and Equipment

The other major category in the Administration Core besides Personal Services is Expense and Equipment (E&E). In the FY 2013 core, it comprises 34% of the total Administration Core of $14 million, or approximately $4.8 million. Contracts for professional services total $3.5 million of the division's Expenses and Equipment (E&E).

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

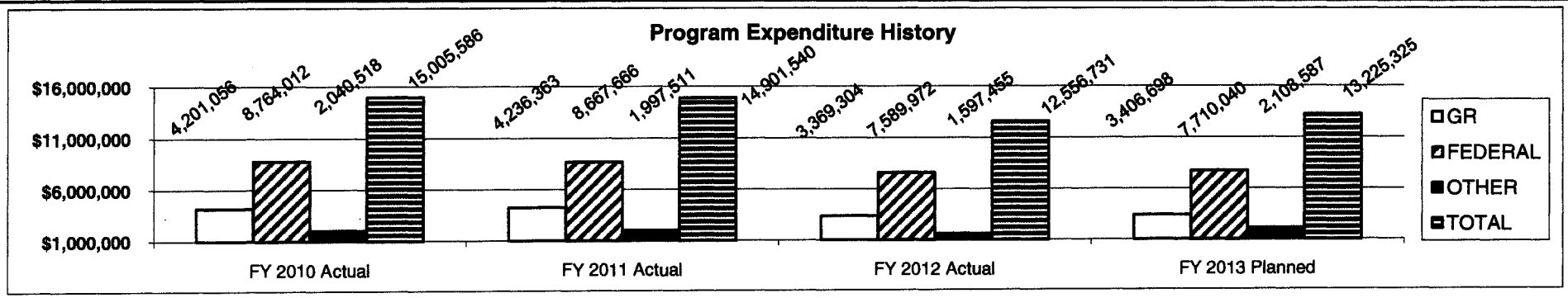
3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. However, some positions earn 75% federal match such as our medical staff, pharmacy exceptions hotline, etc. Certain services through contracted vendors earn 75% and 90% federal match.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the MO HealthNet State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2013 planned is net of reverted and reserved. Reverted: $105,361 GR and $10,222 Other Funds.
Reserved: $654,230 Federal and $131,285 Other Funds.

6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142), Third Party Liability Collections Fund (0120), Nursing Facility Quality of Care Fund (0271), Health Initiatives Fund (0275), Pharmacy Reimbursement Allowance Fund (0144), Missouri Rx Plan Fund (0779) and Ambulance Service Reimbursement Allowance Fund (0958).

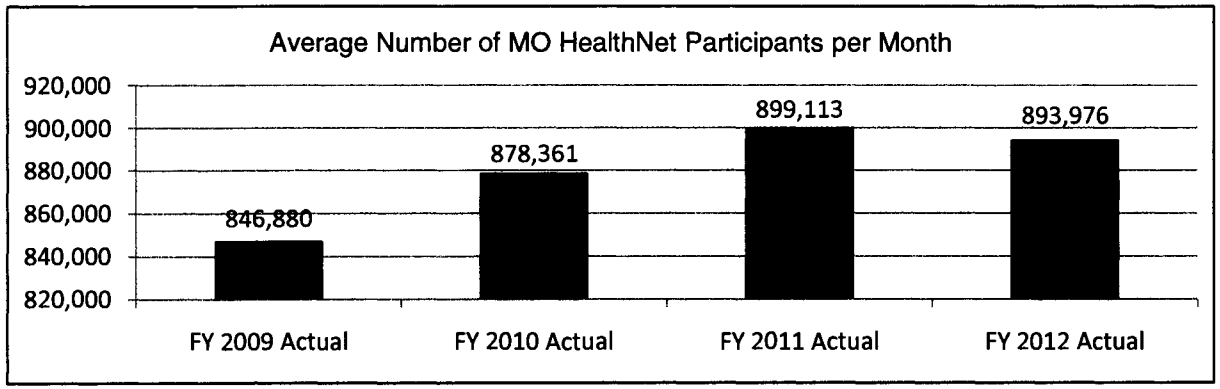
7a. Provide an effectiveness measure.

MO HealthNet Administration supports all division programs. Effectiveness measures can be found in Program sections.

7b. Provide an efficiency measure.

MO HealthNet Administration supports all division programs. Efficiency measures can be found in the Program sections.

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Clinical Services Program Management

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CLINICAL SRVC MGMT								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	469,396	0.00	483,913	0.00	483,913	0.00	483,913	0.00
DEPT OF SOC SERV FEDERAL & OTH	11,875,520	0.00	12,215,288	0.00	12,215,288	0.00	12,215,288	0.00
THIRD PARTY LIABILITY COLLECT	857,118	0.00	924,911	0.00	924,911	0.00	924,911	0.00
MISSOURI RX PLAN FUND	645,843	0.00	4,160,819	0.00	4,160,819	0.00	4,160,819	0.00
TOTAL - EE	13,847,877	0.00	17,784,931	0.00	17,784,931	0.00	17,784,931	0.00
TOTAL	**13,847,877**	**0.00**	**17,784,931**	**0.00**	**17,784,931**	**0.00**	**17,784,931**	**0.00**
GRAND TOTAL	**$13,847,877**	**0.00**	**$17,784,931**	**0.00**	**$17,784,931**	**0.00**	**$17,784,931**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Clinical Services Program Management

Budget Unit: 90516C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE	483,913	12,215,288	5,085,730	17,784,931
PSD				
TRF				
Total	483,913	12,215,288	5,085,730	17,784,931
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections (TPL) (0120)
MO Rx Plan Fund (0779)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	483,913	12,215,288	5,085,730	17,784,931
PSD				
TRF				
Total	483,913	12,215,288	5,085,730	17,784,931
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections (TPL) (0120)
MO Rx Plan Fund (0779)

2. CORE DESCRIPTION

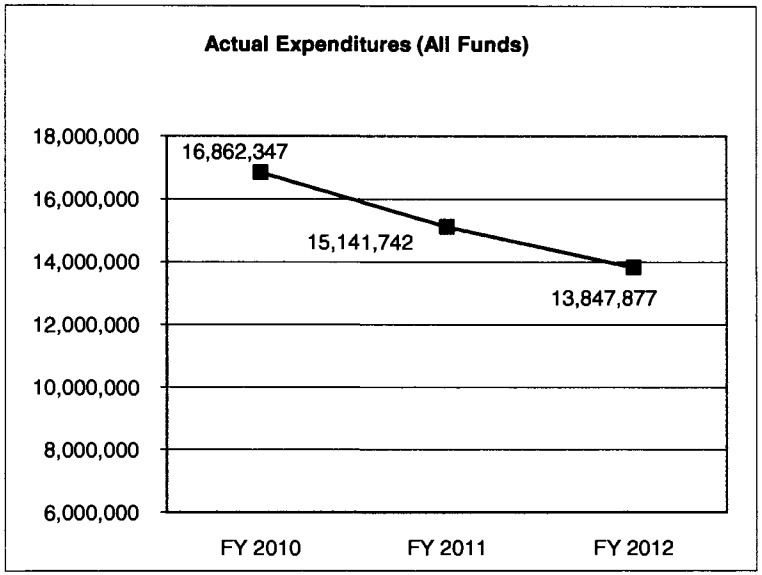
This core request is for contractor costs that support the Pharmacy and Clinical Services programs. Funding is used for cost containment initiatives and clinical policy decision-making to enhance efforts to provide appropriate and quality medical care to participants. MO HealthNet Division seeks to aid participants and providers in their efforts to access the MO HealthNet program by utilizing contractor resources effectively.

3. PROGRAM LISTING (list programs included in this core funding)

Missouri Medicaid Pharmacy Enhancement Program
Missouri Rx Program

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	20,039,716	19,974,091	17,785,006	17,784,931
Less Reverted (All Funds)	(82,159)	(15,725)	(14,517)	N/A
Budget Authority (All Funds)	19,957,557	19,958,366	17,770,489	N/A
Actual Expenditures (All Funds)	16,862,347	15,141,742	13,847,877	N/A
Unexpended (All Funds)	3,095,210	4,816,624	3,922,612	N/A
Unexpended, by Fund:				
General Revenue	2,611	1,117	0	N/A
Federal	97,920	1,275,196	339,768	N/A
Other	2,994,679	3,540,311	3,582,845	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: Increase: $2.5 million to integrate hospital pre-certification with CyberAccess.
Agency reserve of $2,674,172; $1,865 GR, $72,307 in Federal and $2,600,000 in MO Rx Plan funds.

(2) FY 2011: Agency reserve of $2,733,621; $133,621 in Federal and $2,600,000 in MO Rx Plan funds.

(3) FY 2012: Agency Reserves of $2,735,206; $135,206 in Federal and $2,600,000 in Mo Rx Plan funds.

CORE RECONCILIATION DETAIL

STATE
CLINICAL SRVC MGMT

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	483,913	12,215,288	5,085,730	17,784,931	
	Total	**0.00**	**483,913**	**12,215,288**	**5,085,730**	**17,784,931**	
DEPARTMENT CORE REQUEST							
	EE	0.00	483,913	12,215,288	5,085,730	17,784,931	
	Total	**0.00**	**483,913**	**12,215,288**	**5,085,730**	**17,784,931**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	483,913	12,215,288	5,085,730	17,784,931	
	Total	**0.00**	**483,913**	**12,215,288**	**5,085,730**	**17,784,931**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CLINICAL SRVC MGMT								
CORE								
TRAVEL, IN-STATE	10,037	0.00	15,040	0.00	15,040	0.00	15,040	0.00
TRAVEL, OUT-OF-STATE	244	0.00	4,100	0.00	4,100	0.00	4,100	0.00
SUPPLIES	411,712	0.00	397,100	0.00	422,600	0.00	422,600	0.00
PROFESSIONAL DEVELOPMENT	820	0.00	1,000	0.00	1,000	0.00	1,000	0.00
COMMUNICATION SERV & SUPP	109,021	0.00	70,600	0.00	74,600	0.00	74,600	0.00
PROFESSIONAL SERVICES	13,279,566	0.00	17,242,641	0.00	17,212,641	0.00	17,212,641	0.00
M&R SERVICES	27,619	0.00	25,000	0.00	25,500	0.00	25,500	0.00
OFFICE EQUIPMENT	1,407	0.00	0	0.00	0	0.00	0	0.00
OTHER EQUIPMENT	0	0.00	7,000	0.00	7,000	0.00	7,000	0.00
PROPERTY & IMPROVEMENTS	0	0.00	250	0.00	250	0.00	250	0.00
BUILDING LEASE PAYMENTS	6,047	0.00	15,500	0.00	15,500	0.00	15,500	0.00
MISCELLANEOUS EXPENSES	1,404	0.00	6,700	0.00	6,700	0.00	6,700	0.00
TOTAL - EE	**13,847,877**	**0.00**	**17,784,931**	**0.00**	**17,784,931**	**0.00**	**17,784,931**	**0.00**
GRAND TOTAL	**$13,847,877**	**0.00**	**$17,784,931**	**0.00**	**$17,784,931**	**0.00**	**$17,784,931**	**0.00**
GENERAL REVENUE	**$469,396**	**0.00**	**$483,913**	**0.00**	**$483,913**	**0.00**	**$483,913**	**0.00**
FEDERAL FUNDS	**$11,875,520**	**0.00**	**$12,215,288**	**0.00**	**$12,215,288**	**0.00**	**$12,215,288**	**0.00**
OTHER FUNDS	**$1,502,961**	**0.00**	**$5,085,730**	**0.00**	**$5,085,730**	**0.00**	**$5,085,730**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Clinical Services Program Management
Program is found in the following core budget(s): Clinical Services Program Management

1. What does this program do?

The funding for Clinical Services Program Management supports contractor costs for Pharmacy and Clinical Services.

Pharmacy
Through the Pharmacy Program, the Division is able to maintain current cost containment initiatives and implement new cost containment initiatives. Major initiatives include:

- Help Desk Staffing
- Quarterly Updates to the Missouri Maximum Allowable Cost (MACs)
- Maintenance and Updates to Fiscal and Clinical Edits
- Prospective and Retrospective Drug Use Review (DUR)
- Routine/Adhoc Drug Information Research
- Enrollment and Administration of Case Management
- Preferred Drug List (PDL) and Supplemental Rebates

These initiatives, along with other cost containment activities, have resulted in pharmacy costs that trend significantly lower than the national trend over the past few years.

Clinical
Major Clinical Services initiatives include:
- Psychology and Medical Help Desk Staffing
- Smart PA for DME, including Dental and Optometry
- Major Medical PA, including Imaging
- Medical Evidence - Oregon Contract

Cyber Access
CyberAccess is an Electronic Health Record (EHR) program for MO HealthNet participants which is available to their healthcare providers. The Web-based tool, called CyberAccess, allows physicians to prescribe electronically, view diagnosis data, receive alerts, select appropriate preferred medications, and electronically request drug and medical prior authorizations for their MO HealthNet patients. The continued funding for CyberAccess is critical to continue to support the pharmacy and medical cost containment initiatives and electronic health records. EPSDT forms and patient specific lab results are currently available. Linkages to other health record systems yielding interoperability between systems is under development (Health Information Network). A companion participant web portal tool, Direct Inform, has been developed and has been deployed to pilot providers.

The section is responsible for program development and clinical policy decision-making for MO HealthNet, with these activities oriented to the health and continuum of care needed by MO HealthNet participants. Policy development, benefit design and coverage decisions are made by the unit using best practices and evidence-based medicine.

In July 2010, the MO HealthNet Division (MHD), in conjunction with Xerox (formerly ACS-Heritage) and MedSolutions (MSI), implemented a new quality-based Radiology Benefit Management Program (RBM). The RBM is an expansion of the existing pre-certification process currently being used for MRIs and CTs of the brain, head, chest and spine. The RBM works to determine clinical appropriateness of the usage of high-tech radiology services, and provides guidelines for application and use based on expert information and evidence-based data. Pre-certification requests are handled using robust clinical guidelines. These guidelines will be used to ensure the appropriate scope, complexity and clinical need of the tests that will be performed.

The MHD and Department of Health and Senior Services (DHSS), Division of Senior and Disability Services (DSDS) have implemented a single integrated web-based instrument for entering, tracking and approving Home and Community Based Services (HCBS) requests and follow-up data. The new electronic tool (a component of CyberAccess) allows more consistent service authorization and delivery to clients with varying needs. The tool is based on a real-time interface with paid Medicaid claims data to allow automated and transparent processing of requests for services. All HCBS clients are assessed for services using the same tool, employing a rules-based engine to establish the client's level of care based on the need. The current points-based system is translated into algorithms whereby responses to requested information automatically calculate a point score and generate a service plan.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.201; Federal law: Social Security Act Section 1902(a)(4); Federal Regulations: 42 CFR, Part 432

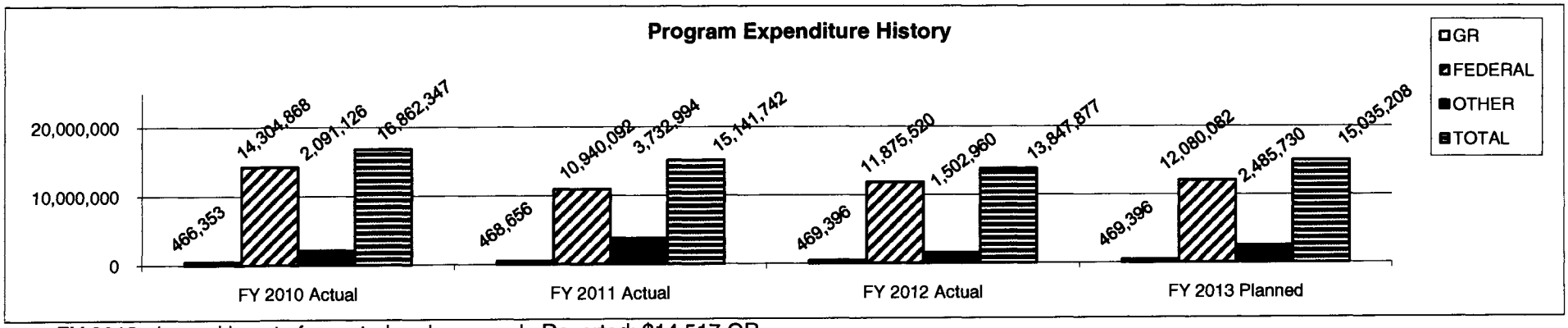
3. Are there federal matching requirements? If yes, please explain.

Generally, MO HealthNet administrative expenditures earn a 50% federal match. The Clinical Management Services for Pharmacy and Prior Authorization is matched at 75%.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902 (a) (4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

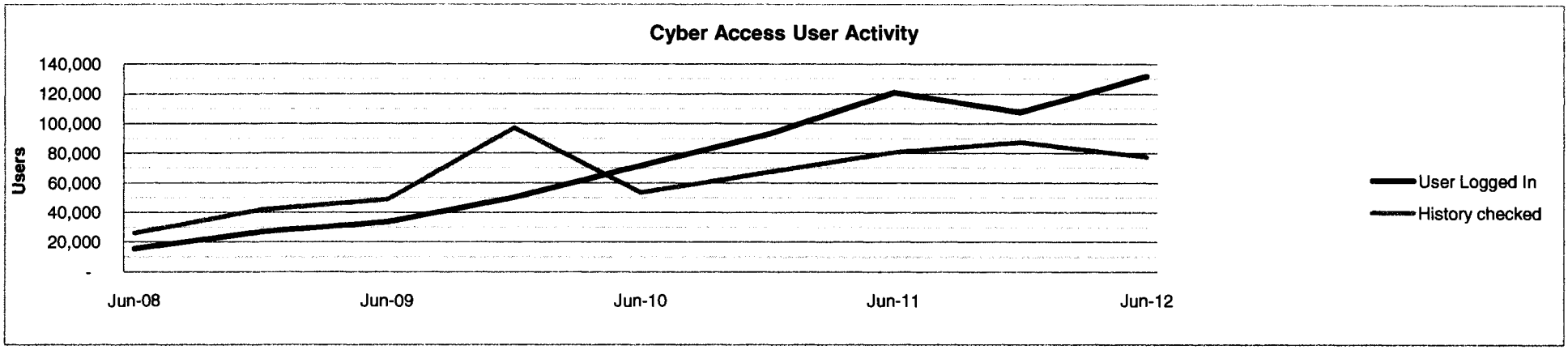


FY 2013 planned is net of reverted and reserved. Reverted: $14,517 GR
Reserve: $2,735,206 Federal and Other Funds

6. What are the sources of the "Other " funds?

FY 2010-FY 2011: Third Party Liability Collections Fund (0120), Health Care Technology (0170) and Missouri Rx Plan Fund (0779).
FY 2012: Third Party Liability Fund (0120) and Missouri Rx Plan Fund (0779)

7a. Provide an effectiveness measure.



7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Number of Pharmacy Claims		
SFY	Projected	Actual
2010	12.0 mil	12.0 mil
2011	12.6 mil	12.9 mil
2012	13.2 mil	13.2 mil
2013	13.5 mil	
2014	13.8 mil	
2015	14.1 mil	

Source: MMIS Pharmacy Reimbursement Allowance Report

7d. Provide a customer satisfaction measure, if available.

N/A

Womens & Minority Health
Care Outreach

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN & MINORITY OUTREACH								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	529,741	0.00	546,125	0.00	546,125	0.00	546,125	0.00
DEPT OF SOC SERV FEDERAL & OTH	551,566	0.00	568,625	0.00	568,625	0.00	568,625	0.00
TOTAL - EE	1,081,307	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
TOTAL	**1,081,307**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**
GRAND TOTAL	**$1,081,307**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Women & Minority Health Care Outreach

Budget Unit: 90513C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	**546,125**	**568,625**		**1,114,750**
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	546,125	568,625		1,114,750
PSD				
TRF				
Total	**546,125**	**568,625**		**1,114,750**
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

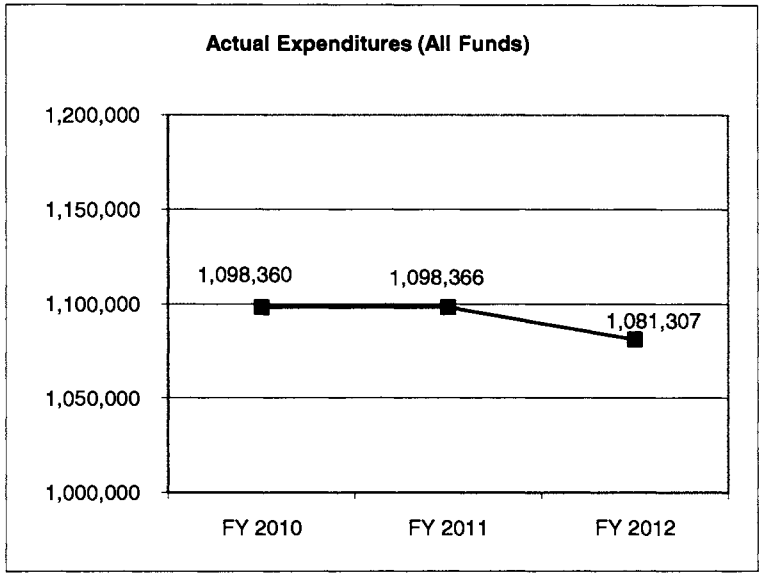
This core request is for the continued funding of the Women and Minority Health Care Outreach programs. These programs provide client outreach and education about the MO HealthNet program and reduce disparities in healthcare access for women and minority populations.

3. PROGRAM LISTING (list programs included in this core funding)

Women and Minority Health Care Outreach Program

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	1,114,750	1,114,750	1,114,750	1,114,750
Less Reverted (All Funds)	(16,384)	(16,384)	(16,384)	N/A
Budget Authority (All Funds)	1,098,366	1,098,366	1,098,366	N/A
Actual Expenditures (All Funds)	1,098,360	1,098,366	1,081,307	N/A
Unexpended (All Funds)	6	0	17,059	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	6	0	17,059	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

STATE
WOMEN & MINORITY OUTREACH

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	546,125	568,625	0	1,114,750	
	Total	**0.00**	**546,125**	**568,625**	**0**	**1,114,750**	
DEPARTMENT CORE REQUEST							
	EE	0.00	546,125	568,625	0	1,114,750	
	Total	**0.00**	**546,125**	**568,625**	**0**	**1,114,750**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	546,125	568,625	0	1,114,750	
	Total	**0.00**	**546,125**	**568,625**	**0**	**1,114,750**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN & MINORITY OUTREACH								
CORE								
PROFESSIONAL SERVICES	1,081,307	0.00	1,114,750	0.00	1,114,750	0.00	1,114,750	0.00
TOTAL - EE	**1,081,307**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**	**1,114,750**	**0.00**
GRAND TOTAL	**$1,081,307**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**	**$1,114,750**	**0.00**
GENERAL REVENUE	**$529,741**	**0.00**	**$546,125**	**0.00**	**$546,125**	**0.00**	**$546,125**	**0.00**
FEDERAL FUNDS	**$551,566**	**0.00**	**$568,625**	**0.00**	**$568,625**	**0.00**	**$568,625**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Women and Minority Health Care Outreach
Program is found in the following core budget(s): Women and Minority Health Care Outreach

1. What does this program do?

The health of Missouri's citizens is critical to the well-being of the state. Without proper health care, Missouri citizens will be less productive and more costly to the state. The purpose of the MO HealthNet program is to finance, monitor and assure the health coverage of traditionally vulnerable populations. The funding in this appropriation provides outreach services in St. Louis, Columbia, Jefferson City, Springfield, the Bootheel, and the Kansas City Region targeted at African-American men and women at risk of diabetes, cardiovascular disease, HIV/AIDS, sexually transmitted diseases (STDs), and other life-threatening health conditions. The outreach programs also provide client outreach and education about the MO HealthNet program.

The Department of Social Services has contracted with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the Minority and Women's Health Outreach funding, assuring accurate and timely payments to the subcontractors and to act as a central data collection point for evaluation of program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, and to reduce disparities in health status between majority and minority populations.

This program was initiated in the fall of 1999 with five Federally-Qualified Health Centers (FQHCs) and has now expanded to twelve FQHCs in the St Louis, Kansas City, mid-Missouri, Southwest, and Bootheel regions. The outreach program builds on the strengths of the twelve FQHCs that are trusted, accessible sources of care for high-risk African-American populations, and the existence of natural leaders, often women, in African-American neighborhoods to provide outreach and education in their neighborhoods to encourage routine screenings for diabetes and cardiovascular disease and testing for HIV/AIDS and STDs. In the Bootheel area, the outreach program builds on the strengths of a FQHC and county hospital, using the Care-A-Van to reach at-risk persons in the largely rural area. Existing health promotion coalitions in the area, including the Bootheel's Heart Health Coalitions and the Missouri Health Alliance will also be used in outreach efforts. As part of the outreach program, workers identify eligible participants and help them enroll in the MO HealthNet program.

The current contractor is Missouri Primary Care Association. The contractor is paid for allowable costs related to establishing and implementing outreach programs not to exceed the appropriation cap.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.201; Federal law: Social Security Act Section 1903(a); Federal Regulations: 42 CFR, Part 433.15

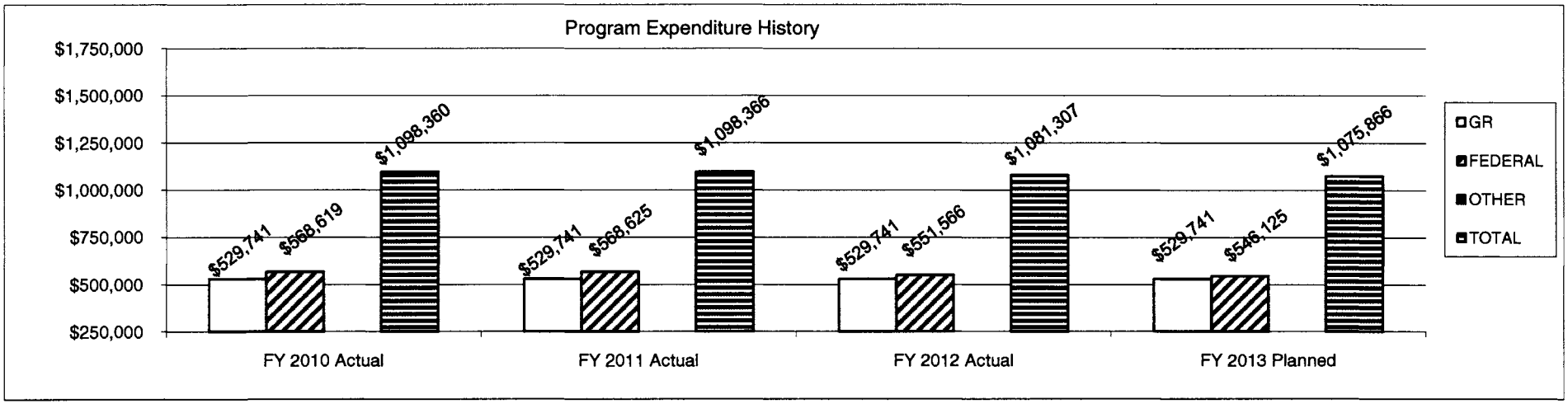
3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn $0.50 in federal funding.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2013 Planned is a net of reverted and reserves. Reverted: $16,384 General Revenue; Reserve: $22,500 Federal Funds

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

FQHCs and RHCs in underserved areas provide greater access to health care services for women and minorities as well as serve as outreach centers to assist individuals in applying for MO HealthNet services.

Number of Users of FQHCs and RHCs for Primary Care		
SFY	Projected	Actual
2010	94,768	109,887
2011	116,264	131,011
2012	123,011	120,832
2013	121,000	
2014	121,000	
2015	121,000	

Number of Users Receiving Assistance from FQHCs and RHCs in Applying for MO HealthNet		
SFY	Projected	Actual
2010	7,403	8,872
2011	11,191	14,719
2012	14,117	14,369
2013	15,000	
2014	15,000	
2015	15,000	

7c. Provide the number of clients/individuals served, if applicable.

Prenatal Care Users Who Delivered During the Year		
SFY	Projected	Actual
2010	3,523	4,191
2011	4,463	4,277
2012	4,754	4,647
2013	4,740	
2014	4,835	
2015	4,932	

Number of Normal Births		
SFY	Projected	Actual
2010	2,260	3,842
2011	4,124	3,883
2012	4,426	4,226
2013	4,268	
2014	4,311	
2015	4,354	

Services are directed toward low-income women and minorities who are uninsured or eligible for MO HealthNet.

7d. Provide a customer satisfaction measure, if available.

N/A

TPL Contracts

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
TPL CONTRACTS								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	2,383,144	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
THIRD PARTY LIABILITY COLLECT	2,383,144	0.00	3,000,000	0.00	3,000,000	0.00	3,000,000	0.00
TOTAL - EE	4,766,288	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL	**4,766,288**	**0.00**	**6,000,000**	**0.00**	**6,000,000**	**0.00**	**6,000,000**	**0.00**
GRAND TOTAL	**$4,766,288**	**0.00**	**$6,000,000**	**0.00**	**$6,000,000**	**0.00**	**$6,000,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Third Party Liability (TPL) Contracts

Budget Unit: 90515C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE		3,000,000	3,000,000	6,000,000
PSD				
TRF				
Total		3,000,000	3,000,000	6,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE		3,000,000	3,000,000	6,000,000
PSD				
TRF				
Total		3,000,000	3,000,000	6,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)

2. CORE DESCRIPTION

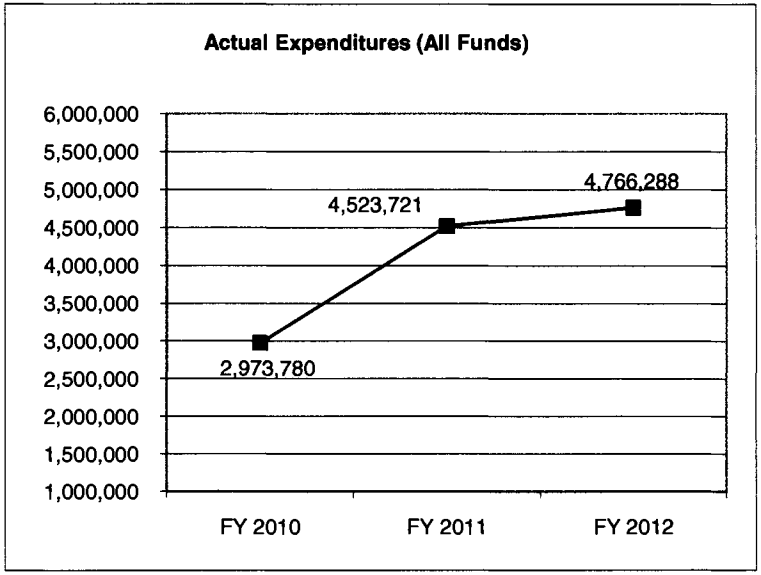
This core request is for the continued funding of contracted third party liability (TPL) recovery activities. TPL functions are performed by agency staff in the TPL Unit and by a contractor. This core appropriation is Expense and Equipment funding and is the source of payments to the contractor who works with the agency on TPL recovery activities.

3. PROGRAM LISTING (list programs included in this core funding)

Third Party Liability Contracts

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	3,000,000	4,523,722	5,414,000	6,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	3,000,000	4,523,722	5,414,000	N/A
Actual Expenditures (All Funds)	2,973,780	4,523,721	4,766,288	N/A
Unexpended (All Funds)	26,220	1	647,712	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	13,110	0	323,856	N/A
Other	13,110	1	323,856	N/A
	(1)		(2)	(3)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: Core reduction of $3.0 million for empty authority.
Agency reserves of $13,105 in federal and $13,105 in TPL fund appropriations.

(2) FY 2012: "E" increase of $2,414,000 for Federal and Third Party Liability.

(3) FY2013: Prior to FY 2013, this was an estimated ("E") appropriation.

CORE RECONCILIATION DETAIL

STATE
TPL CONTRACTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	Total	**0.00**	**0**	**3,000,000**	**3,000,000**	**6,000,000**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	Total	**0.00**	**0**	**3,000,000**	**3,000,000**	**6,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	3,000,000	3,000,000	6,000,000	
	Total	**0.00**	**0**	**3,000,000**	**3,000,000**	**6,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
TPL CONTRACTS								
CORE								
PROFESSIONAL SERVICES	4,766,288	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
TOTAL - EE	4,766,288	0.00	6,000,000	0.00	6,000,000	0.00	6,000,000	0.00
GRAND TOTAL	$4,766,288	0.00	$6,000,000	0.00	$6,000,000	0.00	$6,000,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$2,383,144	0.00	$3,000,000	0.00	$3,000,000	0.00	$3,000,000	0.00
OTHER FUNDS	$2,383,144	0.00	$3,000,000	0.00	$3,000,000	0.00	$3,000,000	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Third Party Liability (TPL) Contracts
Program is found in the following core budget(s): Third Party Liability (TPL) Contracts

1. What does this program do?

The Third Party Liability (TPL) program is responsible for cost recovery and cost avoidance of MO HealthNet expenditures. By identifying other insurance carriers, MO HealthNet is able to cost avoid or recover costs already incurred. The MO HealthNet program seeks recovery from third-party sources when liability at the time of service had not yet been determined, when the third-party source was not known at the time of MO HealthNet payment, and for services that are federally mandated to be paid and then pursued. TPL functions are performed by agency staff in the TPL Unit and by a contractor. The TPL Contracts appropriation allows for payment to the contractor who works with the agency on TPL recovery and cost avoidance activities. The contractor is paid for its recovery services through a 10% contingency contract rate for cash recoveries and on a per member per month (PMPM) rate of $.15 for the cost avoidance services. The TPL program accounted for more than $244.2 million in savings for the MO HealthNet program in FY 12 by cost avoiding claims and recovering MO HealthNet funds. Health Plans in the MO HealthNet Managed Care program are responsible for the TPL activities related to plan enrollees.

Historically, the contractor is successful in areas of recovery that the state is unable to pursue due to staff and computer system limitations, for instance, in Health Insurance Recovery. When the retroactive cash recovery benefit is exhausted, these recovery areas are converted to cost avoidance mechanisms and transferred to the state MMIS claims processing system. The contractor has the advantage of automation to increase TPL recoveries. Information stored in the data base includes participant eligibility, insurance carrier, billing addresses, insurance coverage, and other reference information necessary for automated billing. The TPL Unit and the contractor share responsibility for maintaining and updating the data, as well as conducting manual operations that continue to be a part of the recovery program.

Even though some responsibilities are shared, the TPL Unit and the contractor each perform specific cost saving and recovery activities. The TPL Unit concentrates on asserting liens on settlements of trauma-related incidents (which include personal injury, product liability, wrongful death, malpractice, workers' compensation, and traffic accidents). The TPL Unit also files claims for recovery of MO HealthNet expenditures in estate cases, TEFRA cases, on the personal funds accounts of deceased nursing home residents, and on any excess funds from irrevocable burial plans. For cost avoidance, the TPL Unit operates the Health Insurance Premium Payment (HIPP) Program and maintains the TPL data base where participant insurance information is stored. The contractor focuses on bulk billings to insurance carriers and other third parties and data matches to identify potential third parties. The following list itemizes the activities performed by the contractor as compared to those performed by the TPL Unit staff, and is followed by descriptions of the primary TPL programs.

TASKS PERFORMED BY THE CONTRACTOR
- Health insurance billing and follow-up;
- Data matches and associated billing (Tricare, MCHCP, and other insurance carriers such as BCBS, United Healthcare and Aetna);
- Provide TPL information for state files;
- Post Accounts Receivable data to state A/R system; and
- Maintain insurance billing files.

The current contractor is Health Management Systems (HMS). The contractor is paid for services on a contingency basis for recovery activities and a PMPM basis for cost avoidance activities through a portion of cash recoveries.

TASKS PERFORMED BY STATE TPL STAFF
•Liens, updates and follow-up on Trauma cases;
•Identify and follow-up on all Estate cases;
•Identify, file and follow-up on TEFRA liens;
•Identify and follow-up on Personal Funds cases;
•Recover any excess funds from irrevocable burial plans;
•Operate HIPP program;
•Post recoveries to Accounts Receivable systems;
•Maintain state TPL databases;
•Verify leads through MMIS contract; and
•Contract oversight.

HIPP Program - The objective of the Health Insurance Premium Payment Program (HIPP) is to identify and pay for employer-sponsored insurance policies for MO HealthNet participants to maximize MO HealthNet monies by shifting medical costs to private insurers and exhausting all third party resources before utilizing MO HealthNet. Each insurance policy paid by the HIPP program saves an average of $26,869 annually. Note: The cost avoidance reporting for the HIPP Program was corrected at the beginning of FY12 resulting in a significant increase in the reported amount.

Trauma Settlement Recovery - The objective is to identify potentially liable third parties and to assert liens on litigation settlements to ensure maximum recovery of MO HealthNet expenditures. Each identification is researched to determine if pursuit is cost effective or even possible.

Personal Funds Recovery - The objective of this program is to identify Personal Funds Account Balances of deceased MO HealthNet participants who lived in nursing facilities and recover MO HealthNet expenditures made on behalf of those participants. Nursing facilities are required to pay MO HealthNet within sixty (60) days from the date of death (Section 198.090(7), RSMo).

Burial Plans Recovery - The objective of this program is to recover MO HealthNet expenditures from any excess funds from irrevocable burial plans. Burial lots and irrevocable burial contracts are exempt from consideration in determining MO HealthNet eligibility (Section 208.010, RSMo). The law also provides that if there are excess funds from irrevocable burial plans, the state should recover the excess up to the amount of public assistance benefits provided to the participant.

Estate Recovery - In this program, expenditures are recovered through identification and filing of claims on estates of deceased MO HealthNet participants. Data matches are coordinated with the Department of Health and Senior Services' Vital Statistics, Family Support Division's county offices' staff and cooperation of other public and private groups. When cases are established, staff verify expenditure documentation and assemble data for evidence. The TPL staff appear in court to testify on behalf of the state and explain MO HealthNet policies and procedures.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State: RSMo. 198.090, 208.010, 208.153, 208.215, 473.398, 473.399 Federal law: Social Security Act, Section 1902, 1903, 1906, 1912, 1917; Federal regulation: 42 CFR 433 Subpart D

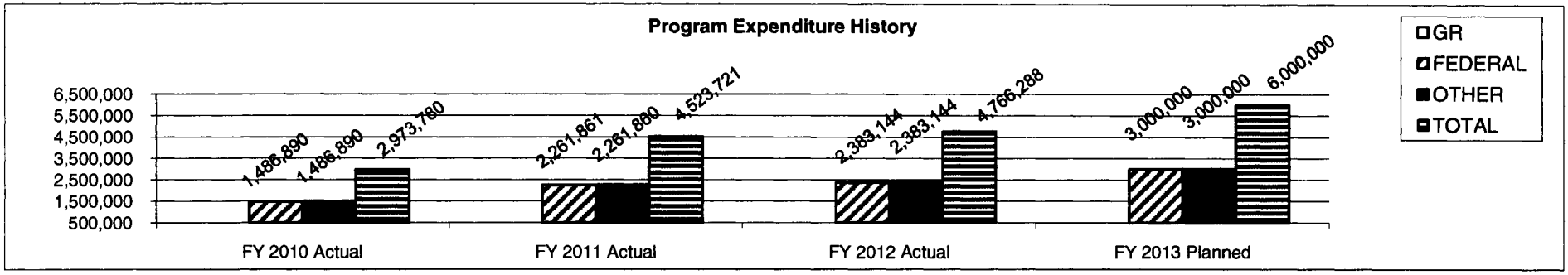
3. Are there federal matching requirements? If yes, please explain.

General Medicaid administrative expenditures earn a 50% federal match. For every dollar spent, DSS can earn $0.50 in federal funding.

4. Is this a federally mandated program? If yes, please explain.

Yes, if cost effective. In order to not pursue a TPL claim, the agency must obtain a waiver from CMS by proving that a cost recovery effort is not cost effective.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

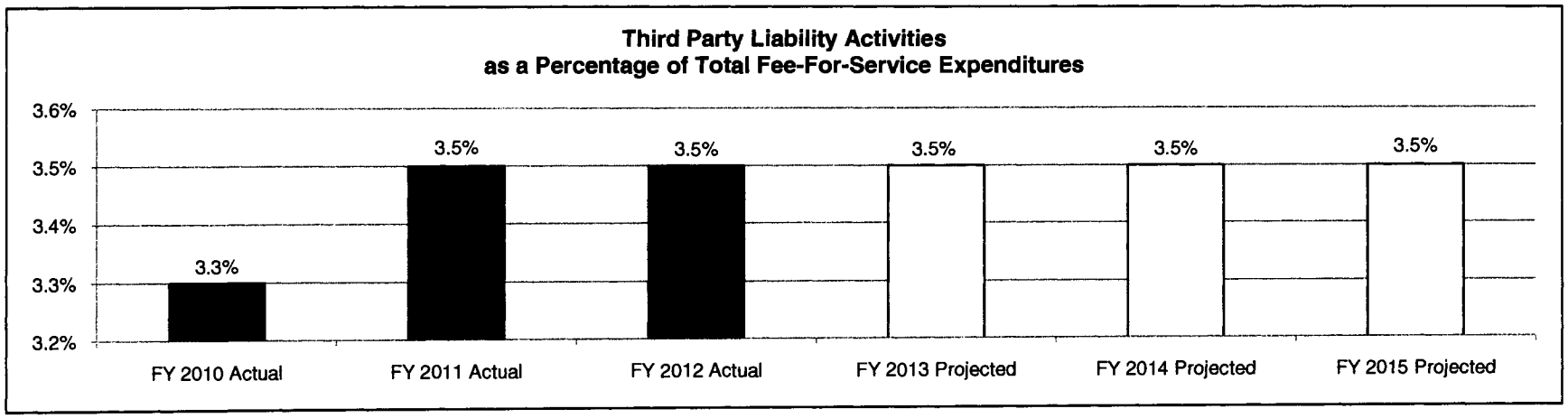


6. What are the sources of the "Other " funds?

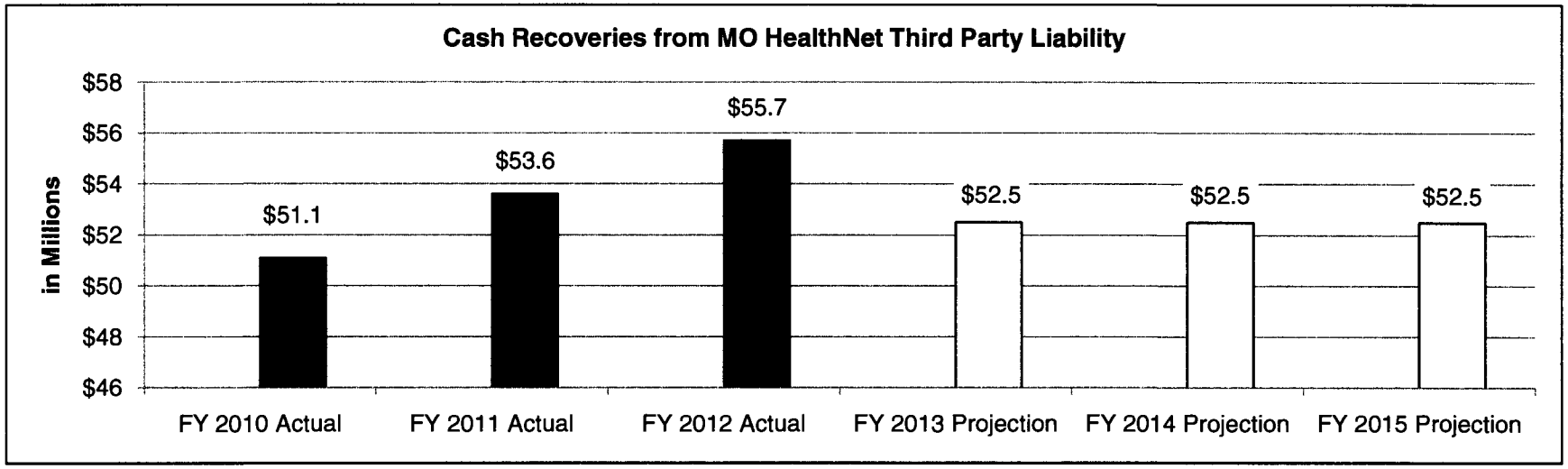
Third Party Liability Collections Fund (0120)

7a. Provide an effectiveness measure.

Effectiveness Measure: Third Party Liability (TPL) activities within the MO HealthNet Program ensure that liable third-party resources are being utilized as a primary source of payment in lieu of General Revenue. In state fiscal year 2012, TPL activities, including cost avoidance and cash recovery activities, saved 3.5% of total fee-for-service expenditures.



7b. Provide an efficiency measure.



Cash Recoveries by Contractor		
SFY	Projected	Actual
2010	$21.0 mil	$28.0 mil
2011	$24.0 mil	$32.6 mil
2012	$26.0 mil	$34.6 mil
2013	$30.0 mil	
2014	$30.0 mil	
2015	$30.0 mil	

Cash Recoveries by MHD Staff		
SFY	Projected	Actual
2010	$25.5 mil	$23.1 mil
2011	$23.0 mil	$21.0 mil
2012	$22.5 mil	$21.1 mil
2013	$22.5 mil	
2014	$22.5 mil	
2015	$22.5 mil	

MHD is enhancing efforts to obtain timely health insurance carrier information on a proactive basis for MO HealthNet participants to ensure that third party resources are utilized as a primary source of payment in lieu of taxpayer dollars. MHD contracts with a vendor to perform health insurance recoveries and cost avoidance activities. As MHD shifts it's focus to cost avoidance, the trend for health insurance cash recoveries will even out or eventually reflect a decrease.

Actual cash recoveries for all other areas of third party recoveries have shown a decrease over the last few years due to several developments. Medicare providers are performing on-line adjustments rather than submitting reimbursement by check. Cash recoveries for the Estate Program have decreased due to the expanded definition of "estate" not being in statute; a court decision regarding spousal recovery; and the elimination of recovery of Medicare Part B premiums on or after the date of January 1, 2010. Trauma and casualty tort recoveries have decreased as a result of the Ahlborn class action decision in 2006.

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
INFORMATION SYSTEMS								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	4,693,772	0.00	4,838,940	0.00	4,838,940	0.00	4,838,940	0.00
DEPT OF SOC SERV FEDERAL & OTH	27,678,625	0.00	46,560,170	0.00	32,880,170	0.00	32,880,170	0.00
HEALTH CARE TECHNOLOGY FUND	0	0.00	5,000	0.00	0	0.00	0	0.00
HEALTH INITIATIVES	0	0.00	1,515,000	0.00	0	0.00	0	0.00
TOTAL - EE	32,372,397	0.00	52,919,110	0.00	37,719,110	0.00	37,719,110	0.00
TOTAL	**32,372,397**	**0.00**	**52,919,110**	**0.00**	**37,719,110**	**0.00**	**37,719,110**	**0.00**
Sustaining MO HealthNet Tech - 1886019								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,021,687	0.00	0	0.00
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	6,695,180	0.00	6,695,180	0.00
UNCOMPENSATED CARE FUND	0	0.00	0	0.00	0	0.00	430,000	0.00
HEALTH INITIATIVES	0	0.00	0	0.00	0	0.00	1,591,687	0.00
TOTAL - PD	0	0.00	0	0.00	8,716,867	0.00	8,716,867	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**8,716,867**	**0.00**	**8,716,867**	**0.00**
GRAND TOTAL	**$32,372,397**	**0.00**	**$52,919,110**	**0.00**	**$46,435,977**	**0.00**	**$46,435,977**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Information Systems

Budget Unit: 90522C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE	4,838,940	32,880,170	0	37,719,110
PSD				
TRF				
Total	4,838,940	32,880,170	0	37,719,110
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthcare Technology Fund (0170)
Health Initiatives Fund (0275)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	4,838,940	32,880,170	0	37,719,110
PSD				
TRF				
Total	4,838,940	32,880,170	0	37,719,110
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthcare Technology Fund (0170)
Health Initiatives Fund (0275)

2. CORE DESCRIPTION

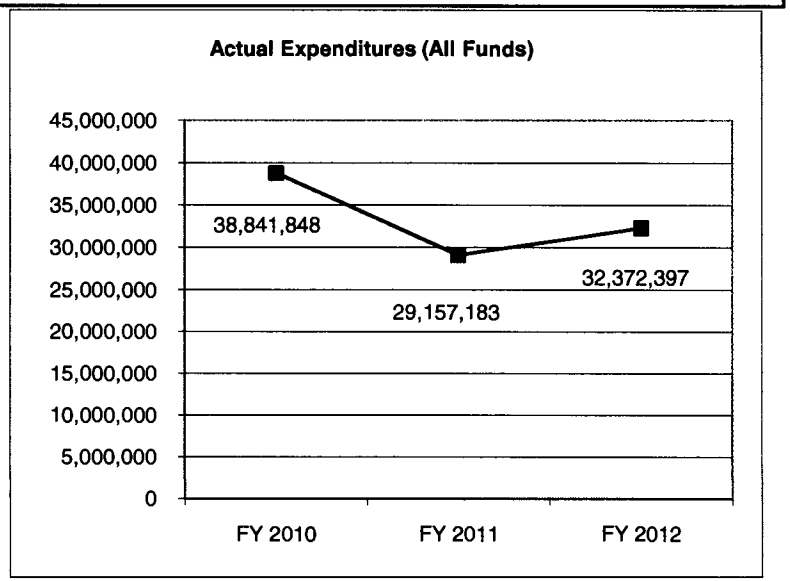
This core request is for the continued funding of MO HealthNet's Information Systems (IS). Core funding is used to pay for the Medicaid Management Information Systems (MMIS) contract. The MMIS contractor processes fee-for-service claims, managed care encounter data and provides enrollment broker services.

3. PROGRAM LISTING (list programs included in this core funding)

Information Systems

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	64,162,098	53,697,622	37,719,110	52,919,110
Less Reverted (All Funds)	(166,965)	(387,545)	(145,168)	N/A
Budget Authority (All Funds)	63,995,133	53,310,077	37,573,942	N/A
Actual Expenditures (All Funds)	38,841,848	29,157,183	32,372,397	N/A
Unexpended (All Funds)	25,153,285	24,152,894	5,201,545	N/A
Unexpended, by Fund:				
General Revenue	0	369,328	0	N/A
Federal	21,036,952	22,057,971	5,201,545	N/A
Other	4,116,333	1,725,595	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: Lapsed authority is for one-time MMIS reengineering costs spread over several fiscal years. Agency reserve of $9,003,565 federal funds and $1,460,910 in Health Care Technology Funds.
The FY2012 core includes a reduction for actual FY2010 one-time MMIS reengineering expenditures of $11,814,046.

(2) FY 2011: Lapsed authority is for one-time MMIS reengineering costs spread over several fiscal years. Agency reserve of $10,633,646 federal funds and $1,180,400 in Health Care Technology Funds.

(3) FY 2012: Agency reserve of $2,582,318 federal funds.

STATE
INFORMATION SYSTEMS

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			EE	0.00	4,838,940	46,560,170	1,520,000	52,919,110	
			Total	**0.00**	**4,838,940**	**46,560,170**	**1,520,000**	**52,919,110**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	840	8257	EE	0.00	0	0	(1,515,000)	(1,515,000)	Core reduction of FY 2013 one time.
Core Reduction	840	3687	EE	0.00	0	0	(5,000)	(5,000)	Core reduction of FY 2013 one time.
Core Reduction	1733	1439	EE	0.00	0	(13,680,000)	0	(13,680,000)	Core reduction matching federal funds for one time state share.
NET DEPARTMENT CHANGES				**0.00**	**0**	**(13,680,000)**	**(1,520,000)**	**(15,200,000)**	
DEPARTMENT CORE REQUEST									
			EE	0.00	4,838,940	32,880,170	0	37,719,110	
			Total	**0.00**	**4,838,940**	**32,880,170**	**0**	**37,719,110**	
GOVERNOR'S RECOMMENDED CORE									
			EE	0.00	4,838,940	32,880,170	0	37,719,110	
			Total	**0.00**	**4,838,940**	**32,880,170**	**0**	**37,719,110**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
INFORMATION SYSTEMS								
CORE								
COMMUNICATION SERV & SUPP	0	0.00	898	0.00	898	0.00	898	0.00
PROFESSIONAL SERVICES	32,372,397	0.00	52,002,112	0.00	36,802,112	0.00	36,802,112	0.00
M&R SERVICES	0	0.00	916,100	0.00	916,100	0.00	916,100	0.00
TOTAL - EE	**32,372,397**	**0.00**	**52,919,110**	**0.00**	**37,719,110**	**0.00**	**37,719,110**	**0.00**
GRAND TOTAL	**$32,372,397**	**0.00**	**$52,919,110**	**0.00**	**$37,719,110**	**0.00**	**$37,719,110**	**0.00**
GENERAL REVENUE	**$4,693,772**	**0.00**	**$4,838,940**	**0.00**	**$4,838,940**	**0.00**	**$4,838,940**	**0.00**
FEDERAL FUNDS	**$27,678,625**	**0.00**	**$46,560,170**	**0.00**	**$32,880,170**	**0.00**	**$32,880,170**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$1,520,000**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Information Systems
Program is found in the following core budget(s): Information Systems

1. What does this program do?

The Information Systems (IS) program area includes the MMIS contract and the contract for the enrollment services for the MO HealthNet Managed Care Program. The primary function of Information Systems is to provide the tools and data needed to support administrative and financial decisions and to process fee-for-service claims and MO HealthNet Managed Care encounter data. IS focuses on the gathering, maintenance, analysis, and output of information and data related to claims and a multitude of claims-related interfaces. It is additionally responsible for providing the software and hardware support needed to measure, analyze, assess and manipulate this information in the process of decision making and formulating and testing new systems.

The State contracts with a private entity to operate the subsystems of the Medicaid Management Information System. The subsystems include Claims Processing, Management and Analysis Reporting, Surveillance and Utilization, Reference, Provider, Participant, Third Party Liability and Financial. In order to maintain quality management of MO HealthNet claims, the MO HealthNet Division requires the fiscal agent to:

- Maintain and enhance a highly automated MO HealthNet claims processing and information retrieval system.
- Process MO HealthNet claims involving over 41,000 providers of 68 different types, such as hospitals, physicians, dentists, ambulance service providers, nursing homes, therapists, hospices, and managed care health plans.
- Perform manual tasks associated with processing MO HealthNet claims, and to retrieve and produce utilization and management information that is required by the Division and/or various agencies within the federal government. For example, semi-annual utilization reports are generated for the Program Integrity unit to allow staff to detect and investigate over-utilization patterns and abuse. Third Party Liability (TPL) reports are produced that allow tracking of cost avoidance on claims and provide the capability to perform cost recovery functions.
- Provide capabilities and/or communications with the Department and the Division via on-line data links to facilitate transfers of data and monitoring of contract issues using menu driven reports and communications via electronic mail.
- Provide technical support to Managed Care health plans in the maintenance of data lines and the transfer of daily enrollment files and encounter data.

The MMIS is run on a mainframe computer system. There are approximately 35 programmers employed by the fiscal agent to maintain this system. The The Imaging System allows document storage and retrieval along with a report repository. The fiscal agent supports a web application (www.emomed.com) that supports various provider functions such as claims data entry, send and receive files, electronic remittance advice along with real-time inquiries of claims, attachments, prior authorizations, eligibility and payment status.

The state began contracting out the MMIS in 1979. The latest MMIS contract began in FY2008 and was awarded to Infocrossing, Inc (now WIPRO). It consists of one year for takeover and transition, six years contracted for operations, and is renewable for three one-year extensions. This new MMIS contract includes seventeen (17) major enhancements scheduled to be implemented over the first few years of the contract period. The highlights of this re-engineering include a new relational database, a rules engine, and browser-based functionality.

Claims Processing - Claims processing changes with the two programs, the fee-for-service program versus MO HealthNet Managed Care. Under the fee-for-service program, claims are processed for payment to the provider. Services under MO HealthNet Managed Care, which are covered by the capitation payment, do not generate a claim. Whomever provides the service is reimbursed by a health plan. The service still results in involvement by IS through the processing of encounter claims. An encounter claim is the same as a regular claim in terms of the information processed such as patient identification, diagnosis and the service(s) provided; it is just not subject to payment. The federal government requires that encounter claims be submitted to the state agency. Encounter claims are transmitted by health plans to the fiscal agent where they are processed and the data is stored.

Managed Care Impact: MO HealthNet managed care increases the demand on Information Systems because of the need to interface with numerous different data processing systems. The MMIS system "talks" to the systems run by each of the three individual health plans that contract with the state for Managed Care. Success of the Managed Care program is data-driven. The agency needs encounter data from the health plans in order to set rates and see what services are being provided to agency clients, otherwise on-site audits of thousands of providers would be required. Resolving encounter data and other system problems with individual health plans is staff intensive.

Average claims processing time continues to decrease due to increased electronic claims processing and system improvements from 3.03 days in FY95 to .62 days in FY12.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166 and 208.201; Federal law: Social Security Act Section 1902(a)(4), 1903(a)(3) and 1915(b); Federal Regulation 42 CFR 433(C) and 438; Children's Health Insurance Program State Plan Amendment.

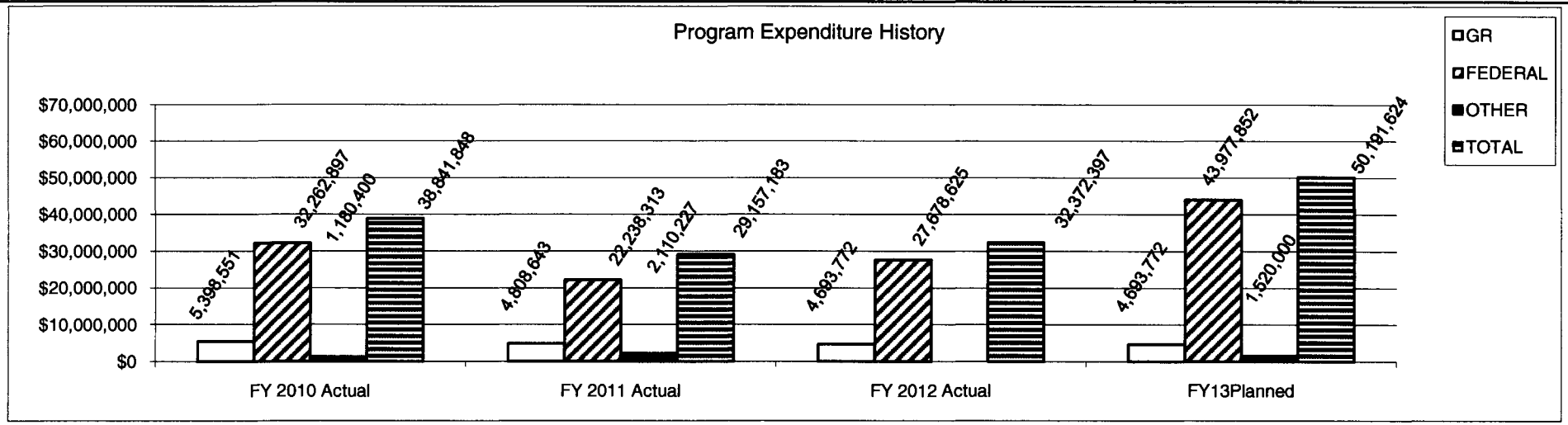
3. Are there federal matching requirements? If yes, please explain.

Expenditures for MMIS operations have three different federal financial participation (FFP) rates. The majority of MMIS expenditures earn 75% FFP and require 25% state share. Functions earning 75% include MMIS base operations and call center operations. Approved system enhancements earn 90% FFP and require 10% state share. Enrollment broker services, postage and General Medicaid administrative expenditures earn 50% FFP and requires 50% state share.

4. Is this a federally mandated program? If yes, please explain.

Yes. Section 1902(a)(4) of the Social Security Act requires such methods of administration as necessary for the proper and efficient administration of the Medicaid State Plan.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



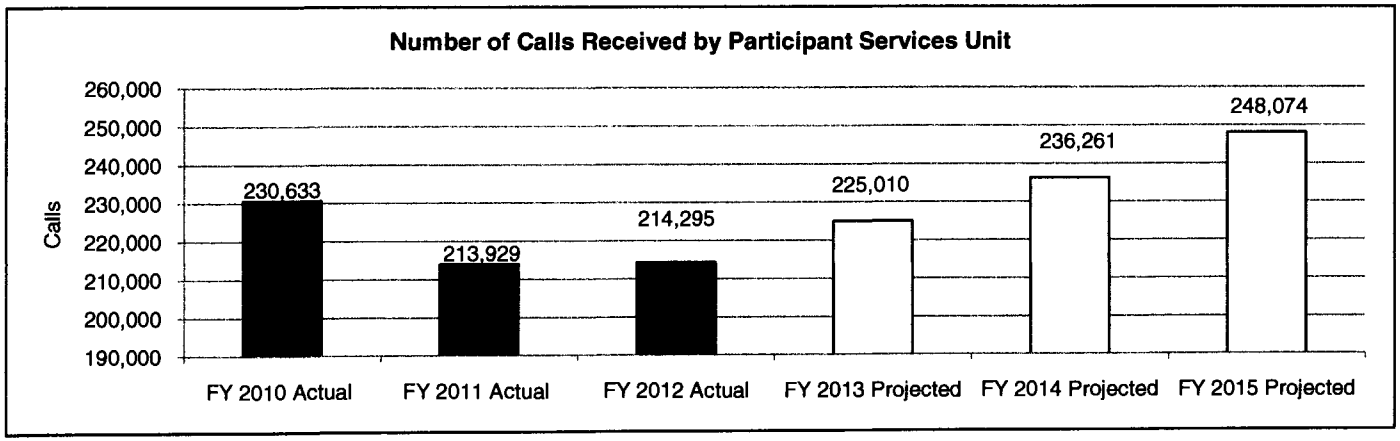
FY 2013 is net of reverted and reserves. Reverted:$145,168 GR. Reserves: $2,582,318 Federal

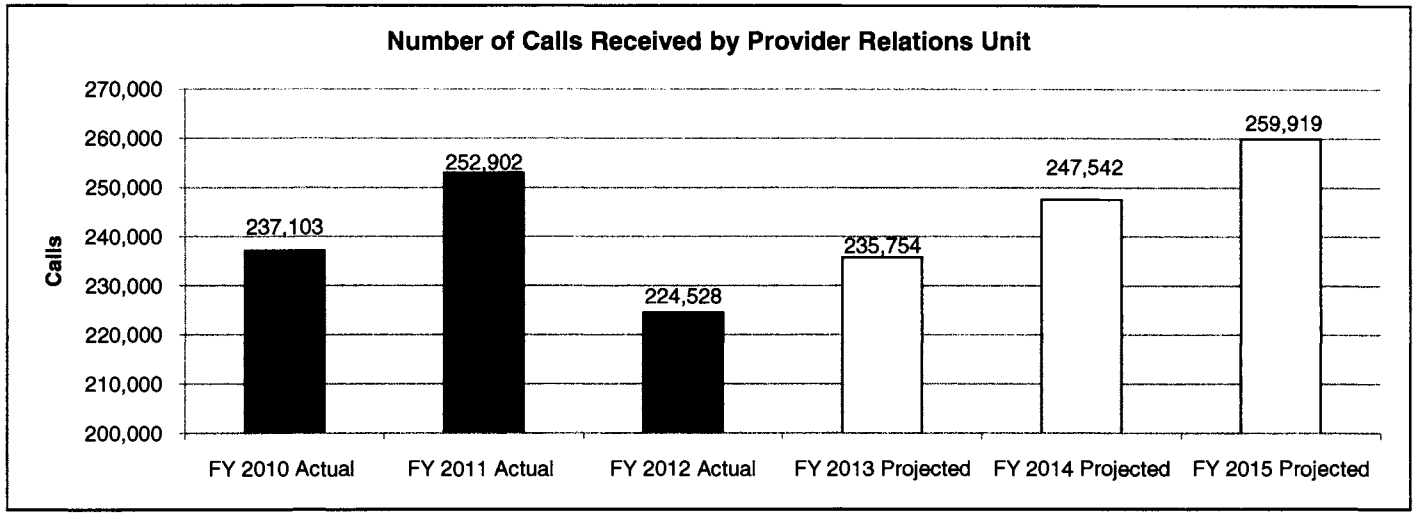
6. What are the sources of the "Other" funds?

Healthcare Technology Fund (0170) - FY 2010

7a. Provide an effectiveness measure.

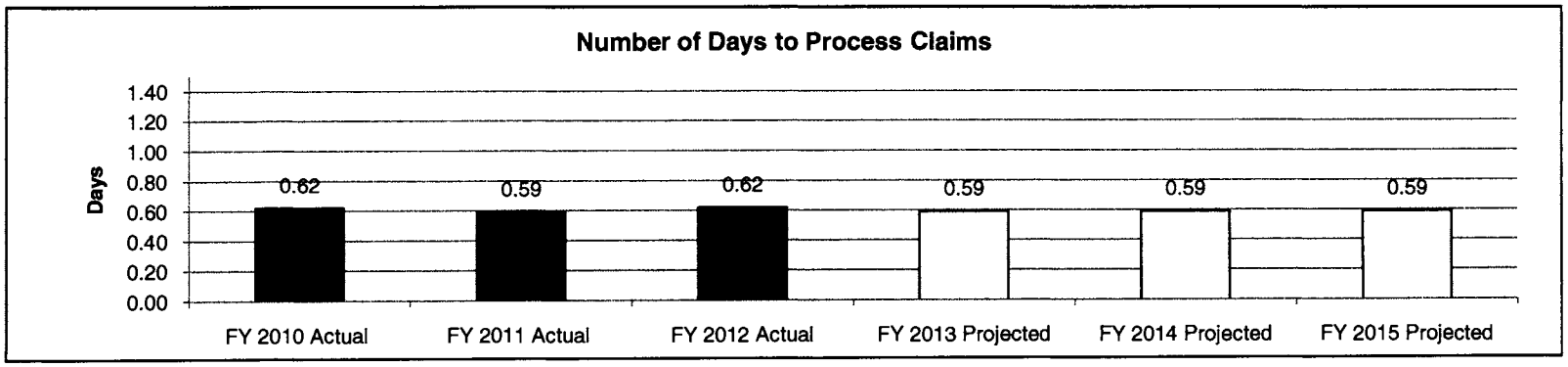
Effectiveness Measure: Provide support for participants and providers. Last year the Participant Services Unit received and responded to over 214,000 calls from participants. The Provider Relations Unit received and responded to 224,528 calls in SFY 2012.



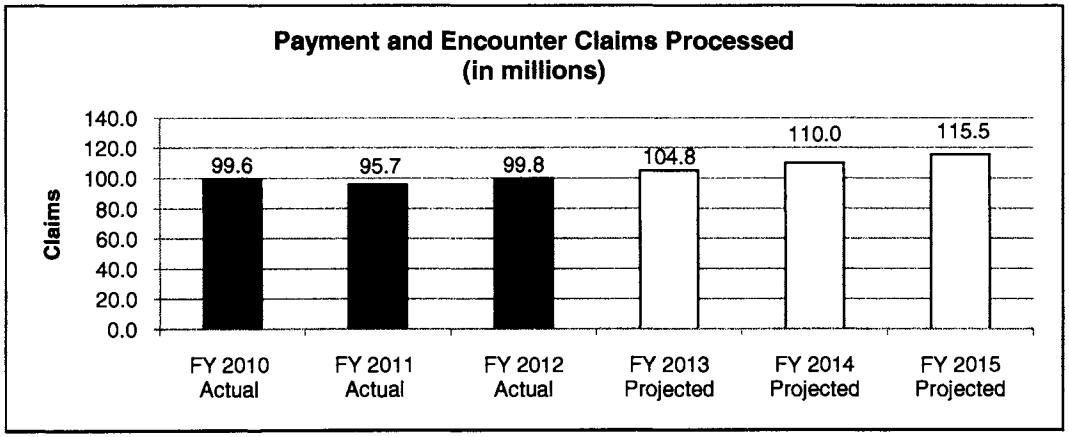


7b. Provide an efficiency measure.

Promptly process "clean" claims in less than one day. For the past three fiscal years, claims passing system edits have been processed in less than one day. Processed claims are paid twice a month. In SFY 2012, over 99.8 million claims were processed.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Electronic Health Record Incentives

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
ELECTRONIC HLTH RECORDS INCNTV								
CORE								
PROGRAM-SPECIFIC								
FEDERAL STIMULUS-DSS	72,864,048	0.00	100,000,000	0.00	100,000,000	0.00	100,000,000	0.00
TOTAL - PD	72,864,048	0.00	100,000,000	0.00	100,000,000	0.00	100,000,000	0.00
TOTAL	**72,864,048**	**0.00**	**100,000,000**	**0.00**	**100,000,000**	**0.00**	**100,000,000**	**0.00**
GRAND TOTAL	**$72,864,048**	**0.00**	**$100,000,000**	**0.00**	**$100,000,000**	**0.00**	**$100,000,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Electronic Health Records Incentives

Budget Unit: 90523C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		100,000,000		100,000,000
TRF				
Total		100,000,000		100,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Fed	Other	Total
PS				
EE				
PSD		100,000,000		100,000,000
TRF				
Total		100,000,000		100,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

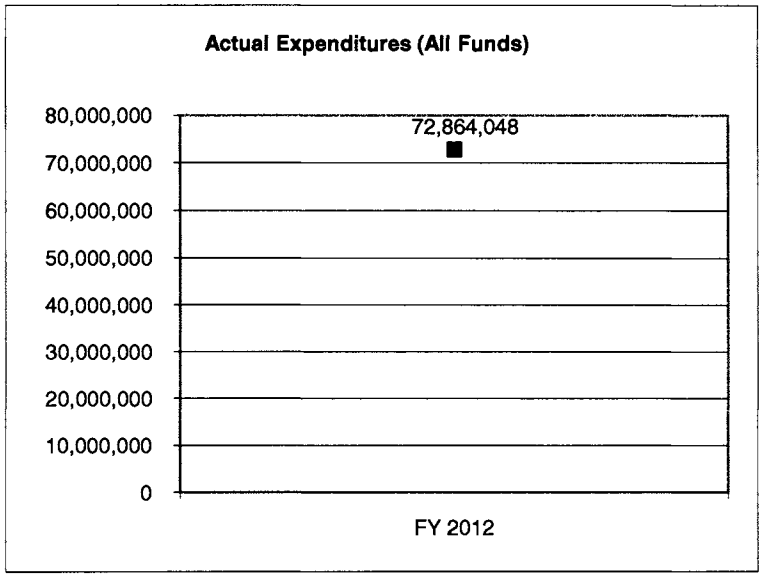
This core request is for the funding of the Missouri's MO HealthNet Electronic Health Record (EHR) Incentive Program. The EHR Incentive Program provides incentive payments for the adoption and meaningful use of certified EHR technology. These incentives are based on the provider's participation in Medicaid programs. The EHR incentive program provides payments to eligible professionals and eligible hospitals for efforts to adopt, implement, upgrade, or meaningfully use certified EHR technology.

3. PROGRAM LISTING (list programs included in this core funding)

Electronic Health Records Incentives

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	0	0	100,000,000	100,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	100,000,000	N/A
Actual Expenditures (All Funds)	0	0	72,864,048	N/A
Unexpended (All Funds)	0	0	27,135,952	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	27,135,952	N/A
Other	0	0	0	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2012: Program began in FY 2012. Appropriation increase of $40,000,000

CORE RECONCILIATION DETAIL

STATE
ELECTRONIC HLTH RECORDS INCNTV

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	100,000,000	0	100,000,000	
	Total	**0.00**	**0**	**100,000,000**	**0**	**100,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	100,000,000	0	100,000,000	
	Total	**0.00**	**0**	**100,000,000**	**0**	**100,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	100,000,000	0	100,000,000	
	Total	**0.00**	**0**	**100,000,000**	**0**	**100,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
ELECTRONIC HLTH RECORDS INCNTV								
CORE								
PROGRAM DISTRIBUTIONS	72,864,048	0.00	100,000,000	0.00	100,000,000	0.00	100,000,000	0.00
TOTAL - PD	72,864,048	0.00	100,000,000	0.00	100,000,000	0.00	100,000,000	0.00
GRAND TOTAL	$72,864,048	0.00	$100,000,000	0.00	$100,000,000	0.00	$100,000,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$72,864,048	0.00	$100,000,000	0.00	$100,000,000	0.00	$100,000,000	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Electronic Health Records Incentive
Program is found in the following core budget(s): Electronic Health Records Incentive

1. What does this program do?

Missouri's Medicaid EHR Incentive Program became operational on April 4, 2011. To qualify for Medicaid incentive payments during the first year, participants must meet volume thresholds for Medicaid patients and show that they have adopted, implemented, or upgraded to certified EHR technology. In subsequent years, payments require demonstration of meaningful use of certified EHR technology. Under the program, eligible professionals can receive up to $63,750 in incentive payments over six years; hospital amounts are based on an established formula primarily driven by discharges. Amounts vary significantly by hospital; the average first year payment to date is $950,000.

Eligible professionals (EPs) include physicians, dentists, certified nurse midwives, nurse practitioners; and physician assistants practicing in rural health clinics or Federally-Qualified Health Centers (FQHCs) led by a physician assistant. EPs must have at least a 30% patient volume attributable to Medicaid (20% for pediatricians). EPs can base their volume on either their *individual* Medicaid patient encounters or the *practice's* Medicaid patient encounters. Encounters include both fee-for-service and managed care for which Medicaid paid in whole or in part. Eligible hospitals (EHs) include: acute care hospitals, all stand-alone children's hospitals, cancer hospitals, and critical access hospitals. Except for children's hospitals, EHs must have at least 10% Medicaid patient volume.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ARRA Section 4201; Federal Regulation: 42 CFR Parts 412, 413, 422, and 495

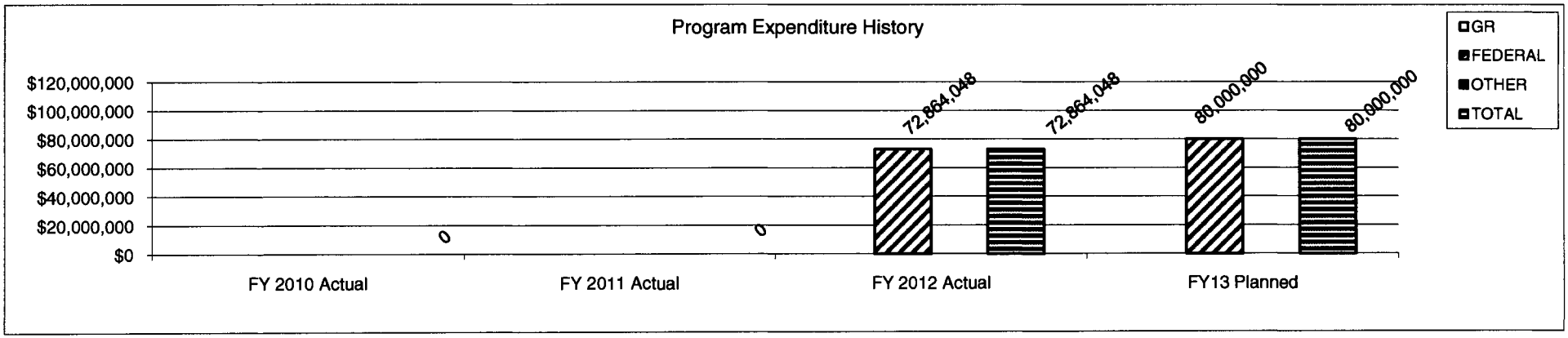
3. Are there federal matching requirements? If yes, please explain.

Expenditures for healthcare technology incentives are 100% federal funds. Administrative costs earn a 90% federal match.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



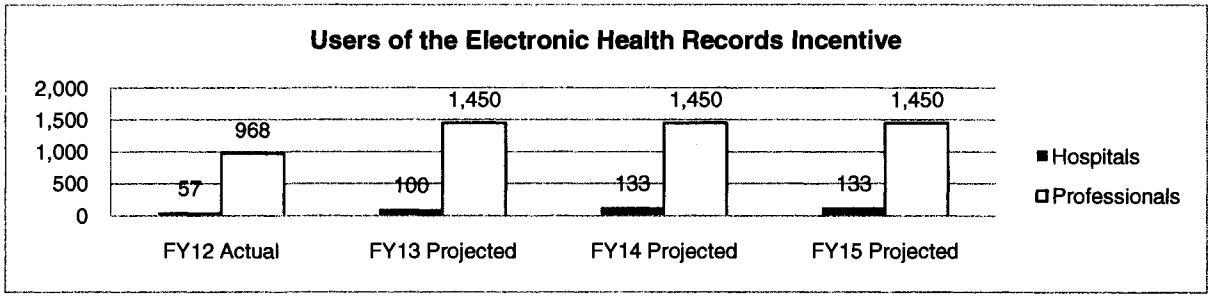
FY 2013 planned is net of reverted and reserved. Reserved $20,000,000 Federal Funds.

6. What are the sources of the "Other" funds?

N/A

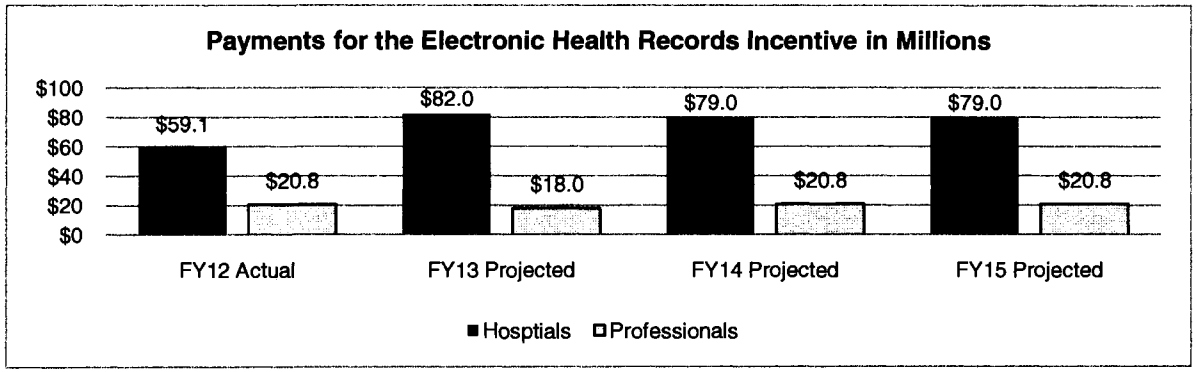
7a. Provide an effectiveness measure.

Increase the number of hospitals and eligible professionals demonstrating meaningful use of EHR technology.



7b. Provide an efficiency measure.

Provide adequate payments for Electronic Health Records Incentives to MO HealthNet providers with the funds appropriated.



7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Money Follows the Person Grant

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MONEY FOLLOWS THE PERSON GRANT								
CORE								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	127,852	0.00	127,852	0.00
TOTAL - EE	0	0.00	0	0.00	127,852	0.00	127,852	0.00
PROGRAM-SPECIFIC								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	404,697	0.00	404,697	0.00
TOTAL - PD	0	0.00	0	0.00	404,697	0.00	404,697	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**532,549**	**0.00**	**532,549**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$532,549**	**0.00**	**$532,549**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Money Follows the Person

Budget Unit: 90524C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE		127,852		127,852	EE		127,852		127,852
PSD	0	404,697		404,697	PSD		404,697		404,697
TRF					TRF				
Total	0	532,549		532,549	Total		532,549		532,549
FTE				0.00	FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

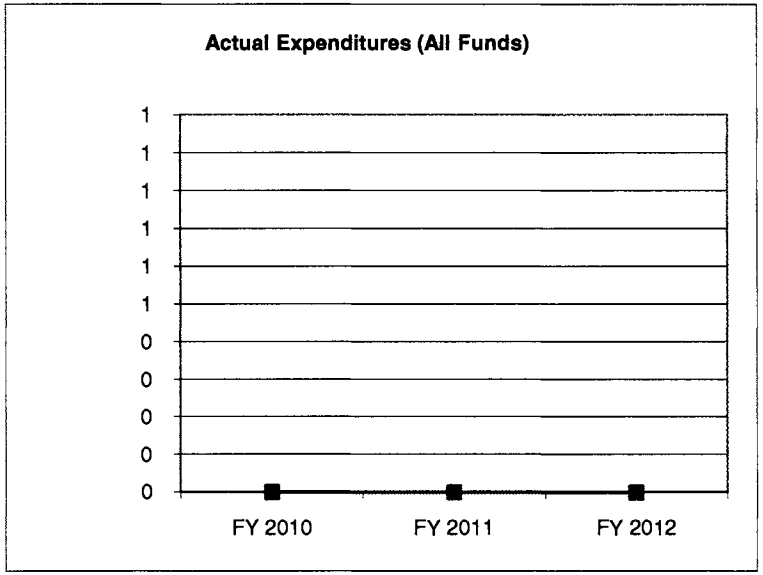
This core request is for on-going funding for the administration of the Money Follows the Person program. Money Follows the Person Demonstration program transitions individuals who are elderly, disabled or who have developmental disabilities from nursing facilities or state owned habilitation centers to Home and Community Based Services.

3. PROGRAM LISTING (list programs included in this core funding)

Money Follows the Person

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	0	0	0	0
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0		N/A
				(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2014 request to transfer from Federal Grants and Donations budget section to new section in MO HealthNet Division.

CORE RECONCILIATION DETAIL

STATE
MONEY FOLLOWS THE PERSON GRANT

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE ADJUSTMENTS								
Core Reallocation	1528 8398	EE	0.00	0	127,852	0	127,852	Core Reallocation from Grants and Donations.
Core Reallocation	1528 8398	PD	0.00	0	404,697	0	404,697	Core Reallocation from Grants and Donations.
NET DEPARTMENT CHANGES			**0.00**	**0**	**532,549**	**0**	**532,549**	
DEPARTMENT CORE REQUEST								
		EE	0.00	0	127,852	0	127,852	
		PD	0.00	0	404,697	0	404,697	
		Total	**0.00**	**0**	**532,549**	**0**	**532,549**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	0	127,852	0	127,852	
		PD	0.00	0	404,697	0	404,697	
		Total	**0.00**	**0**	**532,549**	**0**	**532,549**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MONEY FOLLOWS THE PERSON GRANT								
CORE								
PROFESSIONAL SERVICES	0	0.00	0	0.00	127,852	0.00	127,852	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**127,852**	**0.00**	**127,852**	**0.00**
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	404,697	0.00	404,697	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**404,697**	**0.00**	**404,697**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$532,549**	**0.00**	**$532,549**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$532,549**	**0.00**	**$532,549**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Money Follows The Person
Program is found in the following core budget(s): Money Follows the Person

1. What does this program do?

This program provides payment for the administration of the Money Follows the Person program.

Money Follows the Person is a demonstration grant that aides in transitioning of individuals with disabilities or who are aging from habilitation centers and nursing facilities to the community; it helps identify barriers that prevent individuals currently residing in state or private facilities from accessing needed long-term community support services; it helps to improve the ability of the Missouri Medicaid Program to continue the provision of Home and Community Based Services (HCBS) Long Term Care services to individuals choosing to transition to communities; and lastly it helps to ensure procedures are in place to provide continuous quality improvement in HCBS.

In order to be eligible for the Money Follows the Person program an individual must have been in a nursing facility or ICF/MR bed for at least 90 consecutive (non-Medicare Rehab) days, be Medicaid eligible at the time of transition, move into qualified housing and sign a participation agreement. At the time of discharge the participant must be in a certified Medicaid bed.

Participants will reside in the program for 365 community days after which they will seamlessly transition to the regular HCBS service programs. The grant will provide $2,400 to participants transitioning from a nursing facility, a onetime assistance for transition costs to set up home in the community. This one time assistance can be used anytime within the 365 days.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 6071 of the Federal Deficit Reduction Act of 2005; PL 109-171

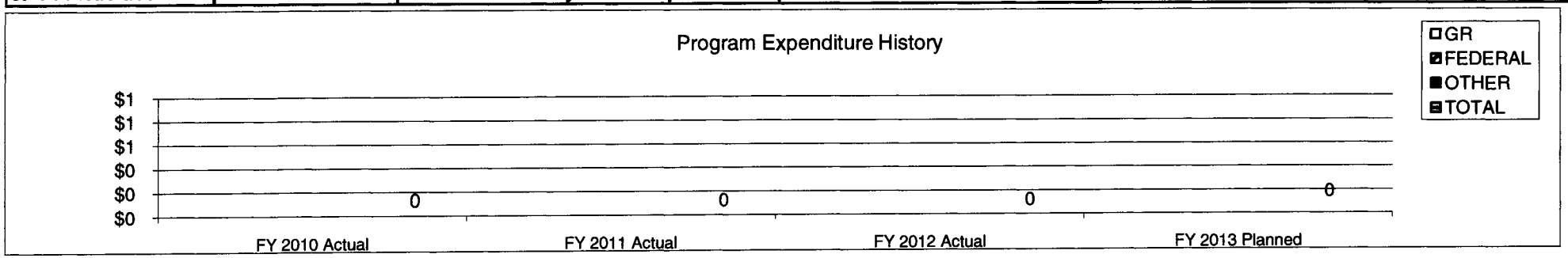
3. Are there federal matching requirements? If yes, please explain.

Money Follows the Person administrative expenditures earn 100% federal matching funds.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Moved to new section in FY 2013.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Number of Transitions by Target Population					
	Elderly	Developmental Disability	Physical Disability	Developmental Disability/Mental Illness	Total
CY 2009 Actual	18	71	48	2	139
CY 2010 Actual	19	27	43	3	92
CY 2011 Actual	34	43	54	11	142
CY 2012 Projected	48	54	72	3	177
CY 2013 Projected	48	20	72	3	143
CY 2014 Projected	48	20	72	3	143

7d. Provide a customer satisfaction measure, if available.

N/A

Adult Medicaid Grant

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
ADULT MEDICAID QUALITY GRANT								
Adult Medicaid Grant - 1886020								
EXPENSE & EQUIPMENT								
DEPT OF SOC SERV FEDERAL & OTH	0	0.00	0	0.00	1,000,000	0.00	1,000,000	0.00
TOTAL - EE	0	0.00	0	0.00	1,000,000	0.00	1,000,000	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,000,000**	**0.00**	**1,000,000**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,000,000**	**0.00**	**$1,000,000**	**0.00**

NEW DECISION ITEM
RANK: 17

Department: Social Services | **Budget Unit: 90529C**
Division: MO HealthNet
DI Name: Adult Medicaid Quality Measures | **DI#: 1886020**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE		1,000,000		1,000,000
PSD				0
TRF				
Total		1,000,000		1,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.
Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE		1,000,000		1,000,000
PSD				0
TRF				
Total		1,000,000		1,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.
Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Federal Grant		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Federal fund appropriation authority is requested to expend the Adult Medicaid Quality Measures grant.

MO HealthNet provides health care access to low-income persons who are age 65 or over, blind, disabled, or members of families with dependent children. The purpose of the Adult Medicaid Quality Measures Grant is to show how MO HealthNet will (a) test and evaluate methods for collections and reporting of the Initial Core Set Measures in varying delivery care settings (e.g. managed care, fee-for-service, long term care settings such as nursing homes and intermediate care facilities); (b) develop staff capacity to report the data, analyze, and use the data for monitoring and improving access and the quality of care in Medicaid; and (c) conduct at least two Medicaid quality improvement projects related to the Initial Core Set Measures. Section 2701 of the Health Care and Education Reconciliation Act, provides for federal grants to develop a core set of health care quality measures for adults eligible for benefits under Medicaid.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The purpose of this funding is to show how MO HealthNet will (a) test and evaluate methods for collections and reporting of the Initial Core Set Measures in varying delivery care settings (e.g. managed care, fee-for-service, long term care settings such as nursing homes and intermediate care facilities); (b) develop staff capacity to report the data, analyze, and use the data for monitoring and improving access and the quality of care in Medicaid; and (c) conduct at least two Medicaid quality improvement projects related to the Initial Core Set Measures.

Requested funding for the Adult Medicaid Quality grant is as follows:

- Consultant Cost - Consultants will be needed for analysis of baseline data from Medicaid claims, planning, design, and implementation of quality improvement (QI) interventions, conduct process evaluation of the QI interventions, prepare six webinars for MO HealthNet providers on the QI projects.
- Contractor Cost - Contractor cost will be needed for funding collaborative efforts with other Medicaid programs, for a MMIS programmer and for data programmers/developers.
- Equipment - Computers, scanner and printer .
- Supplies - Software licenses, general office supplies and printing.
- Travel - Travel to attend quality conferences and training.

	Total	GR	Federal
Adult Medicaid Quality Grant	$1,000,000	$0	$1,000,000
Total	$1,000,000	$0	$1,000,000

The Governor recommended as requested.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class		Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS		**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Travel	140			25,200				25,200		
Supplies	190			87,080				87,080		
Proffesional Services	400			887,720				887,720		
Total EE		**0**		**1,000,000**		**0**		**1,000,000**		**0**
Total PSD		**0**		**0**		**0**		**0**		**0**
Transfers										
Total TRF		**0**		**0**		**0**		**0**		**0**
Grand Total		**0**	**0.0**	**1,000,000**	**0.0**	**0**	**0.0**	**1,000,000**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
			1,000,000				1,000,000		
Total EE	**0**		**1,000,000**		**0**		**1,000,000**		**0**
Program Distributions									
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**1,000,000**	**0.0**	**0**	**0.0**	**1,000,000**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

The evaluation for this project will focus on development and evaluation of process measures for MO HealthNet for grant related activities over time, collection and evaluation of at least fifteen (15) of the core measures over time, implementation and evaluation of the quality improvement initiatives implement in the defined populations, and evaluation and root cause analysis of goals not met with an emphasis on lessons learned.

Possible Core Measures for Collection and Evaluation

Measure Number	Measure Steward	Measure Name
1	NCQA	Flu Shots for Adults Ages 50-64
2	NCQA	Adult BMI Assessment
3	NCQA	Breast Cancer Screening
4	NCQA	Cervical Cancer Screening
5	NCQA	Medical Assistance with Smoking and Tobacco Use Cessation
6	CMS	Screening for Clinical Depression and Follow-Up Plan
7	NCQA	Plan All-Cause Readmission
8	AHRQ	PQI 01: Diabetes, Short-term Complications Admission Rate
9	AHRQ	PQI 05: Chronic Obstructive Pulmonary Disease (COPD) Admission Rate
10	AHRQ	PQI 08: Congestive Heart Failure Admission Rate
11	AHRQ	PQI 15: Adult Asthma Rate
12	NCQA	Chlamydia Screening in Women Ages 21-24
13	NCQA	Follow-Up After Hospitalization for Mental Illness
14	HCA/TJC Prov/CWIS	PC-01: Elective Delivery
15	H/NPIC QAS/TJC	PC-03: Antenatal Steroids
16	NCQA	Controlling High Blood Pressure
17	NCQA	Comprehensive Diabetes Care: LDL-C Screening
18	NCQA	Annual HIV/AIDS Medical Visit
19	NCQA	Comprehensive Diabetes Care: Hemoglobin A1C Testing
20	NCQA	Antidepressant Medication Management
21	CMS-QMHA	Adherence to Antipsychotics for Individuals with Schizophrenia
22	NCQA	Annual Monitoring for Patients on Persistent Medications
23	AHRQ & NC	CAHPS Health Plan Survey v 4.0-Adult Questionnaire with CAHPS Health
24	AMA-PCPI	Care Transition-Transition Record Transmitted to Health Care Professional
25	NCQA	Initiation and Engagement of Alcohol and Other Drug Dependence Treatment
26	NCQA	Prenatal and Postpartum Care: Postpartum Care Rate

6b. Provide an efficiency measure.

Efficiency measures are not available as the Adult Medicaid Quality Grant has not been awarded.

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

Customer satisfaction measures are not available as the Adult Medicaid Quality Grant has not been awarded.

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

Strategies to achieve the performance measurement targets are not available as the Adult Medicaid Quality Grant

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
ADULT MEDICAID QUALITY GRANT								
Adult Medicaid Grant - 1886020								
TRAVEL, IN-STATE	0	0.00	0	0.00	25,200	0.00	25,200	0.00
SUPPLIES	0	0.00	0	0.00	87,080	0.00	87,080	0.00
PROFESSIONAL SERVICES	0	0.00	0	0.00	887,720	0.00	887,720	0.00
TOTAL - EE	**0**	**0.00**	**0**	**0.00**	**1,000,000**	**0.00**	**1,000,000**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$1,000,000**	**0.00**	**$1,000,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$1,000,000**	**0.00**	**$1,000,000**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Pharmacy

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	3,102,328	0.00	207,578	0.00	207,578	0.00	207,578	0.00
TITLE XIX-FEDERAL AND OTHER	6,570,670	0.00	207,578	0.00	207,578	0.00	207,578	0.00
TOTAL - EE	9,672,998	0.00	415,156	0.00	415,156	0.00	415,156	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	137,627,728	0.00	66,981,213	0.00	66,530,850	0.00	66,030,850	0.00
TITLE XIX-FEDERAL AND OTHER	606,992,324	0.00	580,494,472	0.00	580,494,472	0.00	579,201,874	0.00
PHARMACY REBATES	110,533,222	0.00	168,904,455	0.00	168,904,455	0.00	168,904,455	0.00
THIRD PARTY LIABILITY COLLECT	5,252,468	0.00	5,252,468	0.00	4,229,788	0.00	4,229,788	0.00
PHARMACY REIMBURSEMENT ALLOWAN	62,145,297	0.00	68,361,960	0.00	69,796,579	0.00	69,796,579	0.00
HEALTH INITIATIVES	940,214	0.00	969,293	0.00	969,293	0.00	969,293	0.00
HEALTHY FAMILIES TRUST	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00	1,041,034	0.00
LIFE SCIENCES RESEARCH TRUST	25,870,000	0.00	25,556,250	0.00	25,556,250	0.00	25,556,250	0.00
PREMIUM	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00	3,800,000	0.00
TOTAL - PD	954,202,287	0.00	921,361,145	0.00	921,322,721	0.00	919,530,123	0.00
TOTAL	**963,875,285**	**0.00**	**921,776,301**	**0.00**	**921,737,877**	**0.00**	**919,945,279**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,022,680	0.00	1,022,680	0.00
TOTAL - PD	0	0.00	0	0.00	1,022,680	0.00	1,022,680	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,022,680**	**0.00**	**1,022,680**	**0.00**
Pharmacy PMPM Increase - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	10,042,070	0.00	2,243,940	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	32,211,500	0.00	19,560,947	0.00
PHARMACY REBATES	0	0.00	0	0.00	10,042,070	0.00	9,968,996	0.00
TOTAL - PD	0	0.00	0	0.00	52,295,640	0.00	31,773,883	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**52,295,640**	**0.00**	**31,773,883**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,292,598	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,292,598	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,292,598**	**0.00**
Foster Children Medicaid - 1886025								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	665,116	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	665,116	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**665,116**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(1,943,205)	0.00
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	(3,328,637)	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	(103,511)	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	(1,347,223)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(6,722,576)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(6,722,576)**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	925,205	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	5,194,307	0.00
PHARMACY REBATES	0	0.00	0	0.00	0	0.00	1,585,618	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	49,309	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	0	0.00	641,759	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	8,396,198	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**8,396,198**	**0.00**
GRAND TOTAL	**$963,875,285**	**0.00**	**$921,776,301**	**0.00**	**$975,056,197**	**0.00**	**$956,373,178**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy

Budget Unit: 90541C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE	207,578	207,578		415,156
PSD	66,530,850	580,494,472	274,297,399	921,322,721
TRF				
Total	66,738,428	580,702,050	274,297,399	921,737,877
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates Fund (0114)
Third Party Liability Collections Fund (TPL) (0120)
Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Premium Fund (0885)
Life Sciences Research Trust Fund (0763)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	207,578	207,578		415,156
PSD	66,030,850	579,201,874	274,297,399	919,530,123
TRF				
Total	66,238,428	579,409,452	274,297,399	919,945,279
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Rebates Fund (0114)
Third Party Liability Collections Fund (TPL) (0120)
Pharmacy Reimbursement Allowance Fund (0144)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Premium Fund (0885)
Life Sciences Research Trust Fund (0763)

2. CORE DESCRIPTION

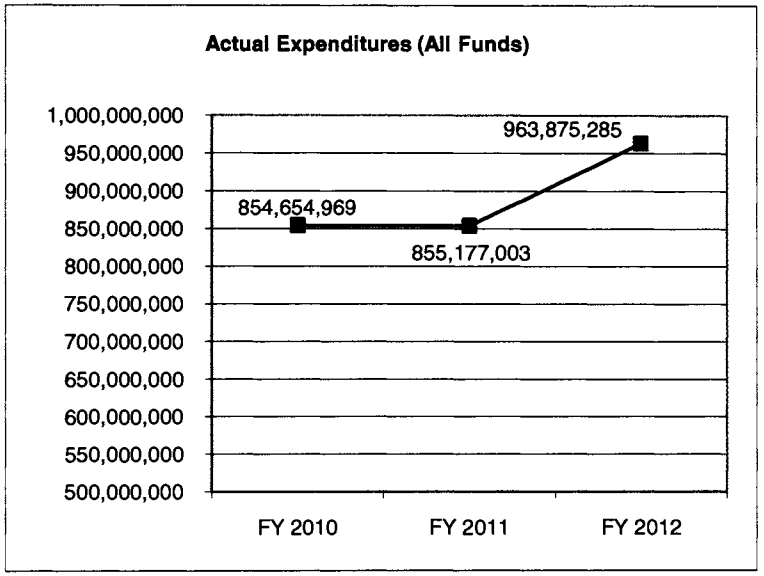
This core request is for the continued funding of the pharmacy program. This funding is necessary to maintain pharmacy reimbursement at a sufficient level to ensure quality health care and provider participation. Funding provides pharmacy services for both managed care and fee-for-service populations. Beginning on October 1, 2009, pharmacy services were carved-out of the managed care capitation rates and the state began administering the pharmacy benefit for participants enrolled in managed care.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	985,174,582	875,235,929	971,351,038	921,776,301
Less Reverted (All Funds)	(11,808,179)	(7,821,501)	(29,079)	N/A
Budget Authority (All Funds)	973,366,403	867,414,428	971,321,959	N/A
Actual Expenditures (All Funds)	855,177,003	854,654,969	963,875,285	N/A
Unexpended (All Funds)	118,189,400	12,759,459	7,446,674	N/A
Unexpended, by Fund:				
General Revenue	0	296,528	1,500,725	N/A
Federal	109,387,102	8,208,875	420,330	N/A
Other	8,802,297	4,254,056	5,525,619	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: "E" increases of $11,500,000 Pharmacy Rebates and $45,100,000 Pharmacy Reimbursement Allowance.
Agency reserve of $39,948,777 Federal and $8,800,000 Pharmacy Rebates.
Expenditures of $10,759,974 paid from the Supplemental Pool.
Beginning October 1, 2009 pharmacy services were carved-out of the managed care capitation rates and MO HealthNet began administering the pharmacy benefit through fee for service.

(2) FY 2011: "E" increase of $4,988,293 Pharmacy Reimbursement Allowance Fund.
Agency reserve of $7,792,422 Federal and $9,242,349 Life Sciences Research Trust Fund.
Expenditures of $27,365,119 from Supplemental Pool.

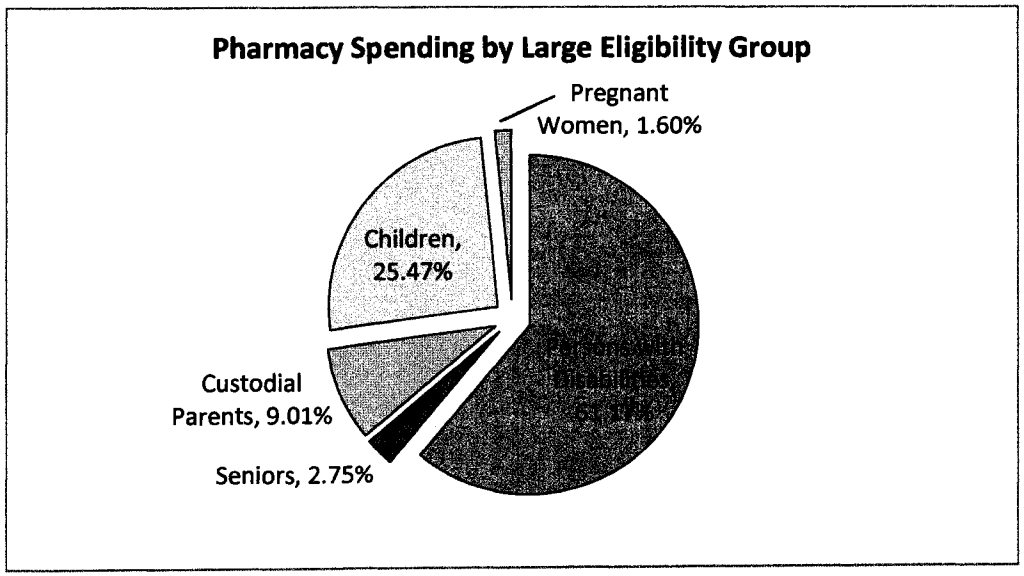
(3) FY2012: Agency reserve of $9,686,250 Life Science Research Fund. "E" increase of $6,377,295 Pharmacy Rebates.

(4) FY2013: Pharmacy Rebates is no longer an estimate ('E') appropriation.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Pharmacy PMPM	***Acute Care PMPM***	***Total PMPM***	***Pharmacy Percentage of Acute***	***Pharmacy Percentage of Total***
PTD	$320.86	$990.49	$1,691.92	32.39%	18.96%
Seniors	$31.22	$324.66	$1,311.01	9.62%	2.38%
Custodial Parents	$98.40	$439.91	$455.95	22.37%	21.58%
Children*	$47.54	$247.84	$280.12	19.18%	16.97%
Pregnant Women	$50.17	$546.42	$555.64	9.18%	9.03%

Source: Table 23 Medical Statistics for FY 12. (Paid Claims Data)
** CHIP eligibles not included*



Source: Table 23 Medical Statistics for FY 12. (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for pharmacy, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the pharmacy PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for pharmacy services. It provides a snapshot of what eligibility groups are receiving pharmacy services, as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

STATE
PHARMACY

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			EE	0.00	207,578	207,578	0	415,156	
			PD	0.00	66,981,213	580,494,472	273,885,460	921,361,145	
			Total	**0.00**	**67,188,791**	**580,702,050**	**273,885,460**	**921,776,301**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	843	6995	PD	0.00	0	0	(1,022,680)	(1,022,680)	Core reduction in TPL based on revenue estimates. Coresponding GR pickup NDI.
Core Reduction	843	2525	PD	0.00	(1,751,191)	0	0	(1,751,191)	Core reduction in TPL based on revenue estimates. Coresponding GR pickup NDI.
Core Reduction	843	2526	PD	0.00	0	(3,652,024)	0	(3,652,024)	Core reduction in TPL based on revenue estimates. Coresponding GR pickup NDI.
Core Reallocation	1313	5586	PD	0.00	0	0	1,434,619	1,434,619	Core reallocation of General Revenue to Blind Medical and Pharmacy Reimbursment Allowance Fund to Pharmacy from Blind Medical.
Core Reallocation	1313	2525	PD	0.00	(1,434,619)	0	0	(1,434,619)	Core reallocation of General Revenue to Blind Medical and Pharmacy Reimbursment Allowance Fund to Pharmacy from Blind Medical.
Core Reallocation	1464	2525	PD	0.00	984,256	0	0	984,256	Core Reallocation of DYS and CD Medical.
NET DEPARTMENT CHANGES				**0.00**	**(2,201,554)**	**(3,652,024)**	**411,939**	**(5,441,639)**	

CORE RECONCILIATION DETAIL

STATE
PHARMACY

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE REQUEST									
			EE	0.00	207,578	207,578	0	415,156	
			PD	0.00	66,530,850	580,494,472	274,297,399	921,322,721	
			Total	**0.00**	**66,738,428**	**580,702,050**	**274,297,399**	**921,737,877**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS									
Core Reduction	843	2526	PD	0.00	0	3,652,024	0	3,652,024	Core reduction in TPL based on revenue estimates. Coresponding GR pickup NDI.
Core Reduction	843	2525	PD	0.00	1,751,191	0	0	1,751,191	Core reduction in TPL based on revenue estimates. Coresponding GR pickup NDI.
Core Reduction	2293	2526	PD	0.00	0	(1,292,598)	0	(1,292,598)	
Core Reallocation	1997	2525	PD	0.00	(500,000)	0	0	(500,000)	
NET GOVERNOR CHANGES				**0.00**	**1,251,191**	**2,359,426**	**0**	**3,610,617**	
GOVERNOR'S RECOMMENDED CORE									
			EE	0.00	207,578	207,578	0	415,156	
			PD	0.00	66,030,850	579,201,874	274,297,399	919,530,123	
			Total	**0.00**	**66,238,428**	**579,409,452**	**274,297,399**	**919,945,279**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY								
CORE								
PROFESSIONAL SERVICES	9,672,998	0.00	415,156	0.00	415,156	0.00	415,156	0.00
TOTAL - EE	**9,672,998**	**0.00**	**415,156**	**0.00**	**415,156**	**0.00**	**415,156**	**0.00**
PROGRAM DISTRIBUTIONS	954,202,287	0.00	921,361,145	0.00	921,322,721	0.00	919,530,123	0.00
TOTAL - PD	**954,202,287**	**0.00**	**921,361,145**	**0.00**	**921,322,721**	**0.00**	**919,530,123**	**0.00**
GRAND TOTAL	**$963,875,285**	**0.00**	**$921,776,301**	**0.00**	**$921,737,877**	**0.00**	**$919,945,279**	**0.00**
GENERAL REVENUE	**$140,730,056**	**0.00**	**$67,188,791**	**0.00**	**$66,738,428**	**0.00**	**$66,238,428**	**0.00**
FEDERAL FUNDS	**$613,562,994**	**0.00**	**$580,702,050**	**0.00**	**$580,702,050**	**0.00**	**$579,409,452**	**0.00**
OTHER FUNDS	**$209,582,235**	**0.00**	**$273,885,460**	**0.00**	**$274,297,399**	**0.00**	**$274,297,399**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy
Program is found in the following core budget(s): Pharmacy

1. What does this program do?

This Pharmacy Services section provides funding for prescription drugs produced by manufacturers for which there exists a rebate agreement between the manufacturer and the federal Department of Health and Human Services (HHS) and dispensed by qualified providers. Since January 1, 1991, the MO HealthNet program has provided reimbursement for all outpatient drugs (except for those which are specifically excluded) for which there is a manufacturer's rebate agreement. While over-the-counter products do not require a prescription for sale to the general public, a prescription for those selected types of over-the-counter products that qualify for MO HealthNet coverage is required in order for the product to be reimbursable. In general terms, MO HealthNet drug reimbursement is made at the lower of: the Wholesale Acquisition Cost (WAC) plus 10%; the Federal Upper Limit (FUL); the Missouri Maximum Acquisition Cost (MAC); or the billed charge. MO HealthNet uses its electronic tools incorporating clinical criteria derived from best practices and evidence-based medical information to adjudicate claims through Clinical Edits, Preferred Drug List Edits, and Prior Authorization.

The U.S. Congress created the Medicaid outpatient prescription drug rebate program when it enacted the Omnibus Budget Reconciliation Act of 1990 (OBRA '90). The goal of the program is to reduce the cost of outpatient prescription drugs by requiring drug manufacturers to pay a rebate directly to state Medicaid programs. The purpose of the program is to reduce the cost of prescription drugs without placing an undue burden on pharmacies by requiring the drug manufacturers to pay a rebate directly to the state Medicaid programs. The intent of this rebate is to allow the state and federal governments to receive price reductions similar to those received by other high volume purchasers of drugs.

Rebate Program

OBRA '90 requires all drug manufacturers to enter into a drug rebate agreement with the Department of Health and Human Services before their product lines will be eligible for coverage by Medicaid. Currently, 500 manufacturers have signed agreements with Centers for Medicare and Medicaid Services (CMS) and participate in the Drug Rebate Program. For MHN participants, approximately 400 manufacturers have products dispensed and are invoiced quarterly. Once the drug manufacturer has entered into the agreement, the state Medicaid programs are required to provide coverage of the manufacturers' drug products. However, the state has the option of excluding certain categories of the manufacturer's products or requiring prior authorization for reimbursement of products. Manufacturers are required to calculate and make rebate payments to the state Medicaid agency for the manufacturer's covered outpatient drugs reimbursed by the state during each quarter. Manufacturers are to be invoiced no later than sixty days after the end of each calendar quarter and are required to make payment for the calculated drug rebate directly to the state Medicaid program within 38 days of invoicing. For generic drugs, the rebate amount is currently 11% of Average Manufacturer Price (AMP). For single-source drugs, the rebate is the greater of 15% of AMP or the difference between the AMP and the manufacturer's "best price", plus CPI-U factors. Beginning in 2010, Federal regulations increased the minimum rebate from 15% to 23% for single-source drugs. These same regulations also required that 100% of these increased rebates are remitted to the federal government, instead of being shared at the normal federal matching rate. The manufacturer has the option of disputing the calculated drug rebate amount if the manufacturer disagrees with the state's drug utilization data. The manufacturer is required to report the nature of the dispute to the state, and the state is then responsible for resolving the dispute through negotiation or a hearing process, if necessary. Approximately 37% of the total rebates collected are used as a state share funding source rather than using General Revenue funds. The approximate 63% federal share of the rebates collected is returned to the federal government.

Prior Authorization

Any covered outpatient drug can be subject to prior authorization. Effective August 1, 1992, a prior authorization (PA) process was implemented for certain specific drugs under the pharmacy program.

Drug PA requests are received via telephone, fax or mail. All requests for drug PA must be initiated by a physician or authorized prescriber (advanced practice nurse) with prescribing authority for the drug category for which a PA is being requested. As specified in OBRA 90, drug PA programs must provide a response by telephone or other telecommunication device within 24 hours of receipt. All requests must include all required information. Requests received with insufficient information for review or received from someone other than a physician or authorized prescriber will not initiate a PA review nor the 24-hour response period. Drug PA requests received via telephone are keyed on-line and notification of approval will be given at the time of the call or by return FAX or phone call. The MO HealthNet Technicians who staff this hotline work through algorithms developed by the Drug Prior Authorization Committee with the assistance of UMKC-DIC, School of Pharmacy. These algorithms are sets of questions used to make a determination to approve or deny the request. Making the prior authorization determination on-line allows the PA file to be updated immediately. For approvals, the requestor will be given an authorization period. Pharmacies may record this information for this purpose as well.

Board and Committee Support and Oversight

The MO HealthNet Oversight Committee was created in 2007 and is charged with evaluating the program and its implementation.

The MO HealthNet Division operates both prospective and retrospective Drug Utilization Review (DUR) as required by federal and state law. The DUR program is focused on educating health care providers in the appropriate use of medications, and informing them of potential drug therapy problems found in the review of drug and diagnostic information obtained from MO HealthNet claims history. The DUR Board is central to all DUR program activities, and its duties and membership requirements are specified in state and federal law. DUR Board members are appointed by the Governor with advice and consent of the Senate, and its 13 members include six physicians, six pharmacists, and one quality assurance nurse. In an ongoing process, the DUR Board reviews and makes changes to the clinical therapeutic criteria used to generate prospective and retrospective DUR interventions. The DUR Board also advises the Division on other issues related to appropriate drug therapy and produces a quarterly newsletter for providers on selected drug topics. In addition to the Board, a Regional DUR Committee, comprised of physicians and pharmacists, evaluates individual participants' retrospective drug regimens and advises their providers on appropriate drug use or potentially problematic drug therapies.

The MO HealthNet Drug Prior Authorization (PA) Committee is established in state regulation. This advisory committee is charged with reviewing drugs and recommending those drugs which are appropriate for reimbursement as a regular benefit verses those which should be placed on prior authorization status. All such recommendations made by the Drug PA Committee are referred to the DUR Board, as they are the statutorily-appointed advisory group for final recommendation to the Division.

Cost Containment Initiatives

As a result of new drugs, rapidly changing prescribing patterns and increased expenditures in the MO HealthNet fee-for-service pharmacy program, the MO HealthNet program continues to implement a number of administrative measures to ensure the economic and efficient provision of the MO HealthNet pharmacy benefit. These strategies have been developed through recommendations from a number of sources, including affected state agencies, provider groups, and the pharmaceutical industry. The intent of these initiatives is to ensure that MO HealthNet participants get the right drug to meet their needs, in the right amount and for the right period of time. Examples of some of the cost containment initiatives include:

Expanded Missouri Maximum Allowable Cost (MAC) List: The list of drugs for which the state agency has established a generic reimbursement limit will be monitored and expanded on a regular basis. A mechanism is in place to review existing MACs as well as identifying new generic drugs for addition to this list, as they become available. This optimizes generic utilization in the MO HealthNet program.

The Preferred Drug List (PDL) utilizes information from various clinical sources, including the UMKC Drug Information Center, the Oregon Evidence-Based Drug Research Consortium, our clinical contractors, and our own clinical research team. Clinical information is paired with fiscal evaluation to develop a therapeutic class recommendation. The resulting PDL process incorporates clinical edits, including step therapies, into the prescription drug program. Clinical edits are designed to enhance patient care and optimize the use of program funds through therapeutically prudent use of pharmaceuticals. Point-of-sale (POS) pharmacy claims are routed through an automated computer system to apply edits specifically designed to ensure effective and appropriate drug utilization. The goal is to encourage cost effective therapy within the selected drug class.

Specialty medications include high-cost injectable, infused, oral, or inhaled drugs that involve specific handling, supervision or monitoring. MO HealthNet will continue to review specialty medications within each of the therapeutic categories to identify clinical editing, preferred drug list (PDL) and prior authorization (PA) opportunities. MO HealthNet is focusing on opportunities to reduce expenditures without compromising participant outcomes. One example is the Missouri Maximum Allowable Cost (MAC) Pricing for Specialty Drugs. The MAC specialty program follows MO HealthNet pricing methodology, utilizing Wholesale Acquisition Cost (WAC), pricing generally available to providers, as a basis for pricing the identified specialty medications. In accordance with MO HealthNet MAC program policy, MO HealthNet staff monitors and updates the more inclusive Missouri MAC list.

Edits - Dose Optimization: Effective for dates of service on or after April 16, 2002, claims submitted to the MO HealthNet Pharmacy Program are subject to edits to identify claims for pharmacy services that fall outside expected patterns of use for certain products. Overrides to these edit denials can be processed through the help desk. Justification for utilization outside expected patterns such as FDA approved labeling is required for approval of such an override.

Pharmacy Provider Tax: The Missouri General Assembly passed legislation establishing a tax on licensed retail pharmacies in Missouri for the privilege of providing outpatient prescription drugs. The Department of Social Services has notified each pharmacy of the amount of tax due. The tax began in 2002. Effective July 1, 2007, Missouri pharmacies were given an enhanced dispensing fee of $4.82, for a total dispensing fee of $9.66.

Effective for dates of service January 1, 2010 and beyond, the MO HealthNet Pharmacy Program began paying pharmacy providers a generic product preferred incentive fee. This program initiative will continue to emphasize the preference for generic utilization within the MO HealthNet pharmacy program by paying pharmacy providers an enhanced incentive fee of $4.00 for each eligible claim.

Prior Authorization of All New Drugs: Prior authorization is required for all new drug entities and new drug product dosage forms of these products through existing drug entities that have been approved by the Food and Drug Administration and are available on the market. After identifying First Data Bank's weekly updates, the medications are reviewed for medical and clinical criteria along with pharmacoeconomic impact to the pharmacy program.

Clinical Management Services Program (CMSP)

Through a contract with Xerox (formerly ACS-Heritage), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes. The current CMSP claim processing system allows each claim to be referenced against the participant's claims history including pharmacy, medical and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Xerox (formerly ACS-Heritage) utilizes their *CyberAccess*SM tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. *CyberAccess*SM provides: participant claims history profiles, updated daily, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of sale (POS) pharmacy claims refreshed every ten (10) minutes.

Point-of-service pharmacy - Claims are routed through Xerox's automated system to apply edits specifically designed to assure effective utilization of pharmaceuticals. The edits are founded on evidence-based clinical and nationally recognized expert consensus criteria. Claims will continue to be processed by WiPro for all other edits and final adjudication. After processing by Heritage and WiPro, the claim is sent back to the provider with a total processing time of approximately 10 seconds. Claims which are denied by the system edits will require an override from the existing help desk. Providers seeking an override must contact the help desk for approval, which will be granted if medically necessary.

Fiscal and Clinical Edits - This initiative optimizes the use of program funds and enhances patient care through improved use of pharmaceuticals. Since the implementation of the Omnibus Budget Reduction Act of 1990 (OBRA 90), education on the use of pharmaceuticals has been accomplished primarily through DUR. However, the prospective DUR alerts currently generated by the fiscal agent have been largely ignored by pharmacy providers as they are more general in nature and few are tied to claim reimbursement. Other third party payers have successfully utilized more extensive evidence based claims screening edits in an effort to control costs. Such edits are applicable within the Medicaid program to achieve similar cost controls.

Drug Utilization Review: This process is currently provided by Xerox, and will be an extension of the current process with some enhancements. Under the new contract, this initiative will utilize the same database/computer system as the previously described components. This system uses a relational database capable of interfacing MO HealthNet paid claims history with flexible, high quality clinical evaluation criteria. The process is designed to identify high-risk drug use patterns among physicians, pharmacists, and beneficiaries, and to educate providers (prescribers and dispensers) in appropriate and cost-effective drug use. This process is capable of identifying providers prescribing and dispensing practices which deviate

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Statute: RSMo. 208.152, 208.166, Federal law: Social Security Act Section 1902(a)(12), Federal regulation: 42 CFR 440.120

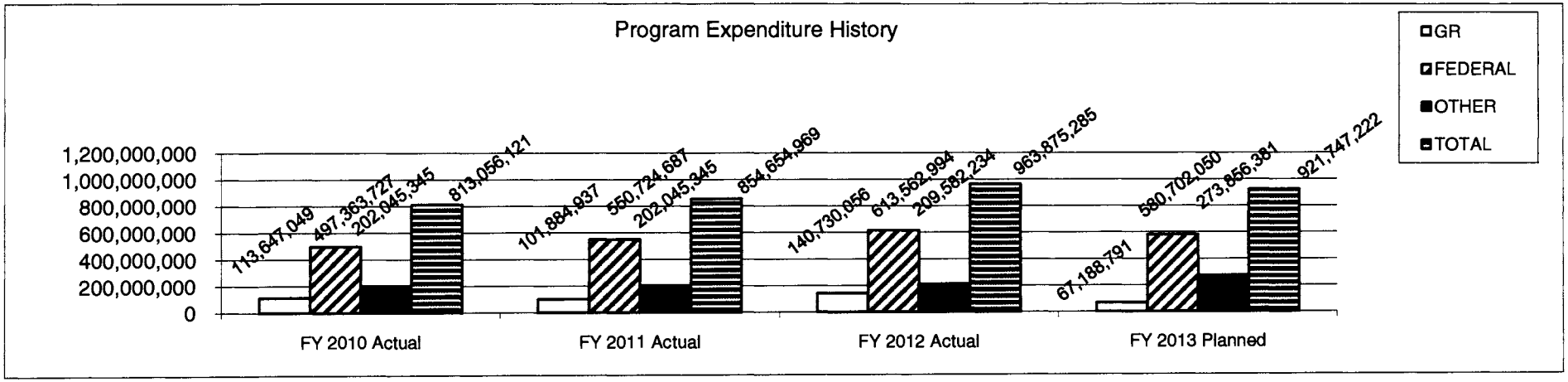
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

Yes, for children if medically necessary health services are identified under the EPSDT program. No for adults.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

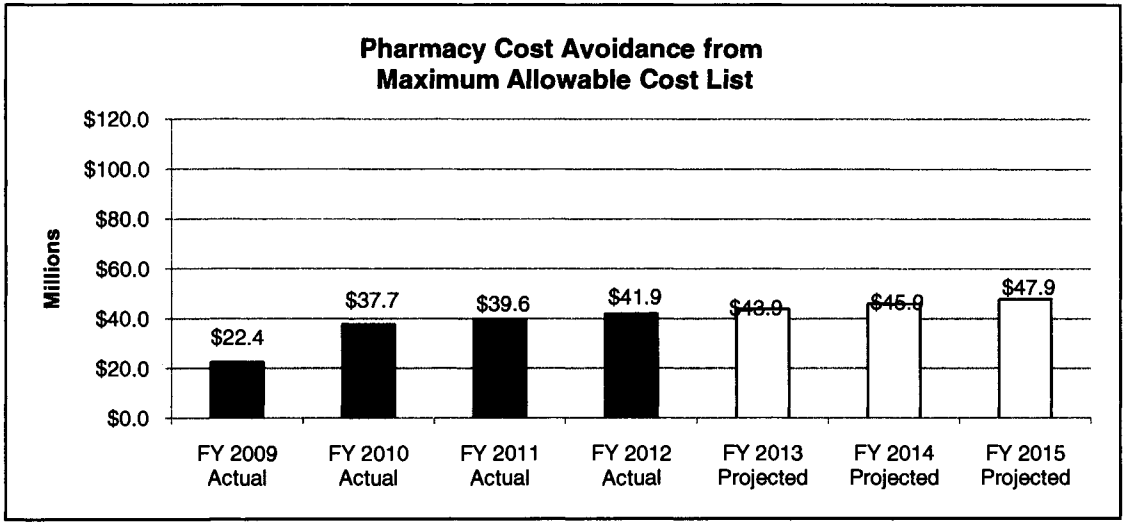


FY 2013 planned is net of reverted and reserved. Reverted: $29,079 Other Funds

6. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowance Fund (0144), Pharmacy Rebates Fund (0114), Health Initiatives Fund (0275), Third Party Liability Fund (0120), Healthy Families Trust Fund (0625), Premium (0885) and Life Sciences Research Trust Fund (0763).

7a. Provide an effectiveness measure.



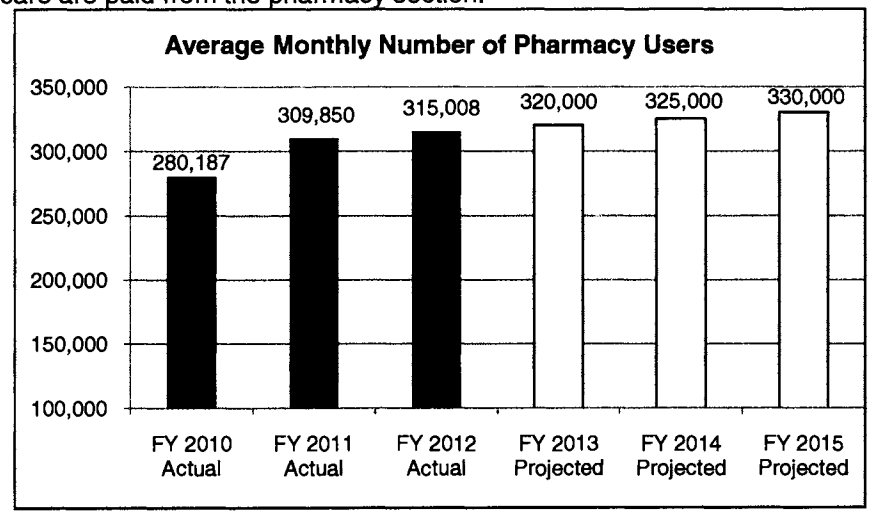
Cost avoidance is realized when MHD establishes the maximum reimbursement amount on generic drugs. Past fiscal year numbers have been updated to reflect more accurate information.

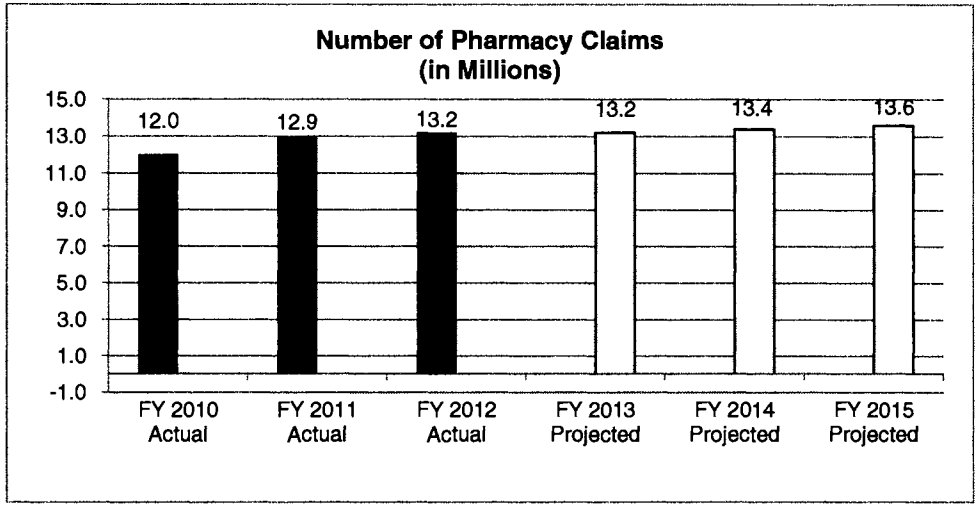
7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Pharmacy services are available to all MO HealthNet participants. Prior to FY 2010, managed care plans had the option to carve out pharmacy services. Beginning in SFY 2010, managed care plans are no longer responsible for paying for pharmacy services. Pharmacy services for both fee-for-service and managed care are paid from the pharmacy section.





7d. Provide a customer satisfaction measure, if available.

N/A

Pharmacy- Medicare Part D Clawback

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	185,633,431	0.00	193,470,530	0.00	193,470,530	0.00	193,470,530	0.00
TOTAL - PD	185,633,431	0.00	193,470,530	0.00	193,470,530	0.00	193,470,530	0.00
TOTAL	**185,633,431**	**0.00**	**193,470,530**	**0.00**	**193,470,530**	**0.00**	**193,470,530**	**0.00**
Clawback Premium Increase - 1886015								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	5,408,669	0.00	7,010,215	0.00
TOTAL - PD	0	0.00	0	0.00	5,408,669	0.00	7,010,215	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**5,408,669**	**0.00**	**7,010,215**	**0.00**
GRAND TOTAL	**$185,633,431**	**0.00**	**$193,470,530**	**0.00**	**$198,879,199**	**0.00**	**$200,480,745**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy - Medicare Part D Clawback

Budget Unit: 90543C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	193,470,530			193,470,530	PSD	193,470,530			193,470,530
TRF					TRF				
Total	193,470,530	0		193,470,530	Total				193,470,530
FTE				0.00	FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

2. CORE DESCRIPTION

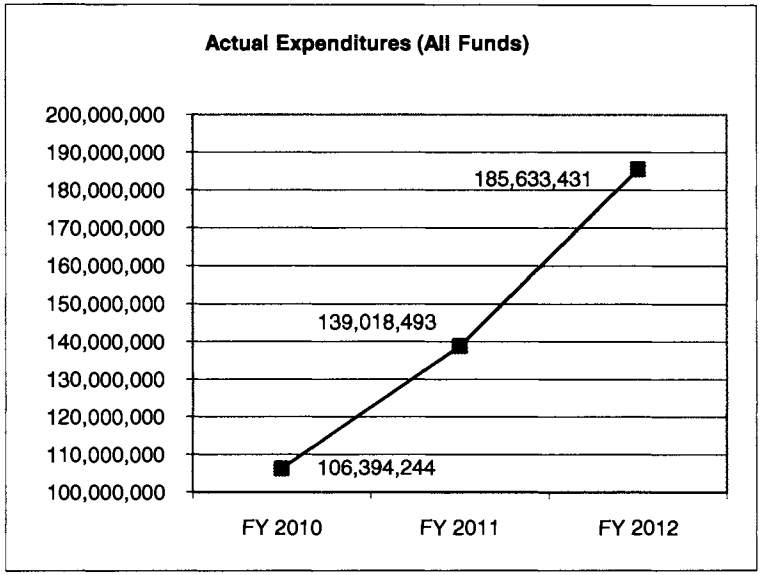
This core request is for the continued funding of the Medicare Part D Clawback. Part of the Medicare Prescription Drug Act requires States to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the State absent the Part D drug benefit.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy-Medicare Part D Clawback

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	185,000,001	146,465,011	186,236,499	193,470,530
Less Reverted (All Funds)	(78,605,756)	0	0	N/A
Budget Authority (All Funds)	106,394,245	146,465,011	186,236,499	N/A
Actual Expenditures (All Funds)	106,394,244	139,018,493	185,633,431	N/A
Unexpended (All Funds)	1	7,446,518	603,068	N/A
Unexpended, by Fund:				
General Revenue	0	946,517	603,068	N/A
Federal	1	1	1	N/A
Other	0	6,500,000	0	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: ARRA FMAP adjustment resulted in credit (reduced expenditures) of $78,509,219.

(2) FY 2011: Agency Reserve Missouri RX Plan Fund of $6,500,000.
ARRA FMAP adjustment (reduced rates) continued into FY 2011.

(3) FY2012: "E" increase of $5,566,226.

(4) FY 2013: Estimated approriation or "E" status was removed.

CORE RECONCILIATION DETAIL

STATE
PHARMACY-MED PART D-CLAWBACK

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	193,470,530	0	0	193,470,530	
	Total	**0.00**	**193,470,530**	**0**	**0**	**193,470,530**	
DEPARTMENT CORE REQUEST							
	PD	0.00	193,470,530	0	0	193,470,530	
	Total	**0.00**	**193,470,530**	**0**	**0**	**193,470,530**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	193,470,530	0	0	193,470,530	
	Total	**0.00**	**193,470,530**	**0**	**0**	**193,470,530**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY-MED PART D-CLAWBACK								
CORE								
PROGRAM DISTRIBUTIONS	185,633,431	0.00	193,470,530	0.00	193,470,530	0.00	193,470,530	0.00
TOTAL - PD	185,633,431	0.00	193,470,530	0.00	193,470,530	0.00	193,470,530	0.00
GRAND TOTAL	$185,633,431	0.00	$193,470,530	0.00	$193,470,530	0.00	$193,470,530	0.00
GENERAL REVENUE	$185,633,431	0.00	$193,470,530	0.00	$193,470,530	0.00	$193,470,530	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy - Medicare Part D Clawback
Program is found in the following core budget(s): Pharmacy - Medicare Part D Clawback

1. What does this program do?

The Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003 required that all individuals who are eligible for both Medicare and MO HealthNet receive their prescription drugs through the Medicare Part D program. This change resulted in a significant shift in benefits for elderly and disabled dual eligible participants because they receive their drugs through a prescription drug plan (PDP) rather than through the state's MO HealthNet program.

The federal government refers to this payment as the "Phased-down State Contribution", whereas the states more appropriately refer to the payment as the "clawback". This clawback payment is, in effect, a funding source for the Medicare Part D program. In theory, it uses the General Revenue that the state would have paid for the MO HealthNet pharmacy benefit for funding the Part D program.

States are required to make a monthly payment to the federal government to, in effect, re-direct the money that the states would have spent on providing prescription drugs to participants in the MO HealthNet program. The clawback consists of a monthly calculation based on the combination of (a) the state's per capita spending on prescription drugs in 2003, (b) the state's federal Medicaid match rate, (c) the number of dual eligible's residing in the state, and (d) a "phase-down percentage" of state savings to be returned to the federal government beginning with 90 percent in 2006 and phasing down to 75 percent in 2015. The phased-down percentage for CY 2013 is 78.33%.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Medicare Prescription Drug Improvement and Modernization Act (MMA) of 2003, P.L. 108-173.

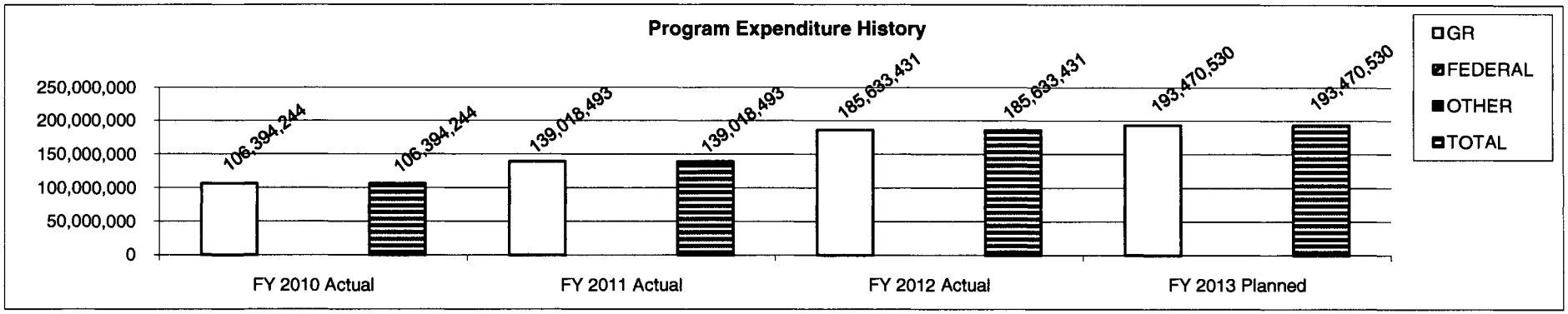
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

Yes. The states are required to make a monthly payment to the federal government to re-direct the money that the states would have spent on providing prescription drugs to participants in MO HealthNet.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

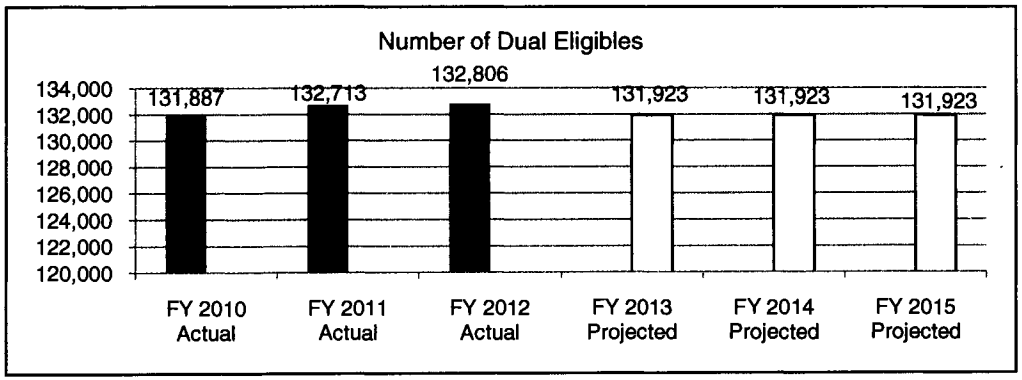
7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 14

Department: Social Services | **Budget Unit: 90543C**
Division: MO HealthNet
DI Name: Clawback Premium Increase | **DI#: 1886015**

1. AMOUNT OF REQUEST

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	5,408,669			5,408,669	PSD	7,010,215			7,010,215
TRF					TRF				
Total	5,408,669			5,408,669	Total	7,010,215			7,010,215
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: To provide for the anticipated increase in the Medicare Part D Clawback payment.

This decision item requests increased funding in General Revenue needed for the payment of the Medicare Part D Clawback, as calculated by the Centers for Medicare and Medicaid Services (CMS). The Medicare Prescription Drugs Act requires states to pay Medicare a portion of the cost of Part D drugs attributable to what would have been paid for by the state absent the Part D drug benefit.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Department Request

Calculation for the MO HealthNet Clawback payment is shown below. There is no projected caseload growth, therefore, the increase is based entirely on the rate change. The clawback assessment was calculated using CMS' methodology. The June assessment is included in the calculation because the assessment is one month in arrears. The number of duals is the average duals for the period March 2012 through July 2012.

Department Request

Payment Date	Number of Duals	Clawback Rate	Payment
June 2013	131,923	$126.04	$16,627,575
July 2013	131,923	$126.04	$16,627,575
August 2013	131,923	$126.04	$16,627,575
September 2013	131,923	$126.04	$16,627,575
October 2013	131,923	$125.06	$16,498,290
November 2013	131,923	$125.06	$16,498,290
December 2013	131,923	$125.06	$16,498,290
January 2014	131,923	$125.64	$16,574,806
February 2014	131,923	$125.64	$16,574,806
March 2014	131,923	$125.64	$16,574,806
April 2014	131,923	$125.64	$16,574,806
May 2014	131,923	$125.64	$16,574,806
FY 14 Projected Spending			$198,879,199
FY 13 Available			$193,470,530
FY 14 Need			$5,408,669

Governors Recommendation:

Payment Date	Number of Duals	Clawback Rate	Payment
June 2013	131,923	$128.10	$16,899,336
July 2013	131,923	$128.10	$16,899,336
August 2013	131,923	$128.10	$16,899,336
September 2013	131,923	$128.10	$16,899,336
October 2013	131,923	$125.91	$16,610,425
November 2013	131,923	$125.91	$16,610,425
December 2013	131,923	$125.91	$16,610,425
January 2014	131,923	$125.91	$16,610,425
February 2014	131,923	$125.91	$16,610,425
March 2014	131,923	$125.91	$16,610,425
April 2014	131,923	$125.91	$16,610,425
May 2014	131,923	$125.91	$16,610,425
FY 14 Projected Spending			$200,480,745
FY 13 Available			$193,470,530
*FY 14 Need			$7,010,215

*** At the time of the Department Request the rate effective January 1, 2013 had not been published by CMS. The Governors recomnedation reflects the actual rate to be paid effective January 2013. The decline in October is due to a change in the FMAP rate.**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	5,408,669						5,408,669		
Total PSD	**5,408,669**		**0**		**0**		**5,408,669**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**5,408,669**	**0.0**	**0**	**0.0**	**0**	**0.0**	**5,408,669**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	7,010,215						7,010,215		
Total PSD	**7,010,215**		**0**		**0**		**7,010,215**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**7,010,215**	**0.0**	**0**	**0.0**	**0**	**0.0**	**7,010,215**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

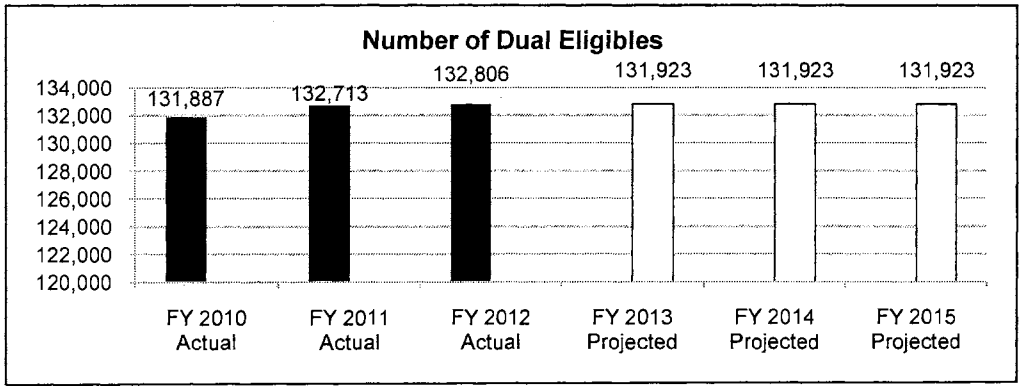
6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY-MED PART D-CLAWBACK								
Clawback Premium Increase - 1886015								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	5,408,669	0.00	7,010,215	0.00
TOTAL - PD	0	0.00	0	0.00	5,408,669	0.00	7,010,215	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$5,408,669	0.00	$7,010,215	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$5,408,669	0.00	$7,010,215	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MISSOURI RX PLAN								
CORE								
PROGRAM-SPECIFIC								
HEALTHY FAMILIES TRUST	13,820,394	0.00	8,859,485	0.00	4,838,657	0.00	4,838,657	0.00
MISSOURI RX PLAN FUND	5,781,772	0.00	15,526,058	0.00	12,544,388	0.00	12,544,388	0.00
TOTAL - PD	19,602,166	0.00	24,385,543	0.00	17,383,045	0.00	17,383,045	0.00
TOTAL	**19,602,166**	**0.00**	**24,385,543**	**0.00**	**17,383,045**	**0.00**	**17,383,045**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	7,002,498	0.00	6,370,046	0.00
TOTAL - PD	0	0.00	0	0.00	7,002,498	0.00	6,370,046	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**7,002,498**	**0.00**	**6,370,046**	**0.00**
GRAND TOTAL	**$19,602,166**	**0.00**	**$24,385,543**	**0.00**	**$24,385,543**	**0.00**	**$23,753,091**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Missouri Rx Plan

Budget Unit: 90538C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD			17,383,045	17,383,045
TRF				
Total			17,383,045	17,383,045
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Missouri Rx Plan Fund (0779)
Healthy Families Trust Fund (0625)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			17,383,045	17,383,045
TRF				
Total			17,383,045	17,383,045
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Missouri Rx Plan Fund (0779)
Healthy Families Trust Fund (0625)

2. CORE DESCRIPTION

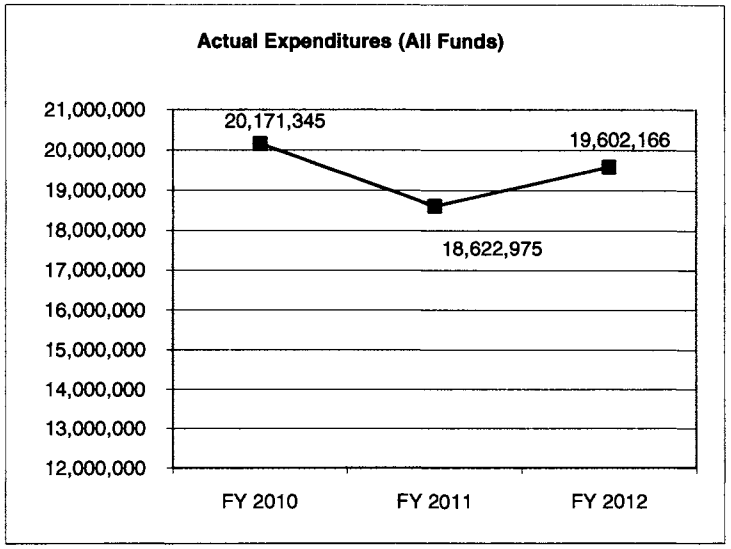
The Missouri Rx Plan provides certain pharmaceutical benefits to certain low-income elderly and disabled residents of the state, facilitates coordination of benefits between the Missouri Rx plan and the federal Medicare Part D drug benefit program established by the Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA), P.L. 108-173 and enrolls individuals in the program.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy services under MMA - Part D

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	21,971,345	19,602,166	21,672,666	24,385,543
Less Reverted (All Funds)	(1,800,000)	0	0	N/A
Budget Authority (All Funds)	20,171,345	19,602,166	21,672,666	N/A
Actual Expenditures (All Funds)	20,171,345	18,622,975	19,602,166	N/A
Unexpended (All Funds)	0	979,191	2,070,500	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	979,191	2,070,500	N/A
	(1)		(2)	(3)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: "E" increase of $2,369,179 in Missouri Rx Plan Fund.
(2) FY 2013: "E" increase of $2,070,500 in Missouri Rx Plan Fund
(2) FY 2013: Estimated appropriaton or "E" was removed.

CORE RECONCILIATION DETAIL

STATE
MISSOURI RX PLAN

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	0	0	24,385,543	24,385,543	
		Total	**0.00**	**0**	**0**	**24,385,543**	**24,385,543**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	842 3705	PD	0.00	0	0	(4,020,828)	(4,020,828)	Core cut Healthy Families Trust Fund (Tobacco Settlement). Corresponding GR pickup NDI.
Core Reduction	1732 1024	PD	0.00	0	0	(2,981,670)	(2,981,670)	Core cut MO RX Fund. Corresponding GR pickup NDI.
NET DEPARTMENT CHANGES			**0.00**	**0**	**0**	**(7,002,498)**	**(7,002,498)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	0	0	17,383,045	17,383,045	
		Total	**0.00**	**0**	**0**	**17,383,045**	**17,383,045**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	0	0	17,383,045	17,383,045	
		Total	**0.00**	**0**	**0**	**17,383,045**	**17,383,045**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MISSOURI RX PLAN								
CORE								
PROGRAM DISTRIBUTIONS	19,602,166	0.00	24,385,543	0.00	17,383,045	0.00	17,383,045	0.00
TOTAL - PD	**19,602,166**	**0.00**	**24,385,543**	**0.00**	**17,383,045**	**0.00**	**17,383,045**	**0.00**
GRAND TOTAL	**$19,602,166**	**0.00**	**$24,385,543**	**0.00**	**$17,383,045**	**0.00**	**$17,383,045**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$19,602,166**	**0.00**	**$24,385,543**	**0.00**	**$17,383,045**	**0.00**	**$17,383,045**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Missouri Rx Plan
Program is found in the following core budget(s): Missouri Rx Plan

1. What does this program do?

S.B. 539 (2005) established a state pharmaceutical assistance program known as the Missouri Rx (MoRx) Plan. The purpose of this program is to coordinate pharmaceutical benefits between the Missouri Rx plan and the federal Medicare Part D drug program for Medicare/Medicaid full dual eligibles, partial duals and other elderly and disabled Missourians below 200% of the Federal Poverty Level (FPL). The Missouri Rx plan pays 50% of members' out of pocket costs remaining after their Medicare Prescription Drug Plan pays. Missouri Rx pays for 50% of the deductible, 50% of the co-pays before the coverage gap, 50% of the coverage gap and 50% of the co-pays in the catastrophic coverage.

MoRx works with all Medicare Part D plans, but has a preferred relationship with three Medicare Part D plans to provide members with the best possible prescription drug coverage. The preferred plans provide MoRx members with high quality, affordable prescription drug coverage by offering easier access to a broader drug formulary with fewer medication restrictions.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.780 through 208.798; Federal law: Medicare Prescription Drug Improvement and Modernization Act of 2003, P.L. 108-173.

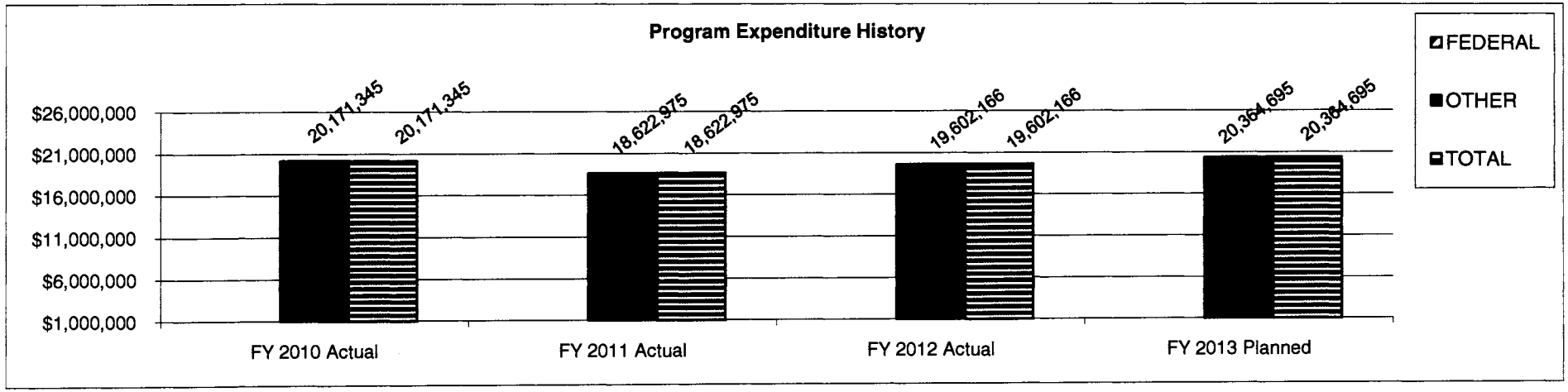
3. Are there federal matching requirements? If yes, please explain.

No. This program is funded with 100% state sources.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

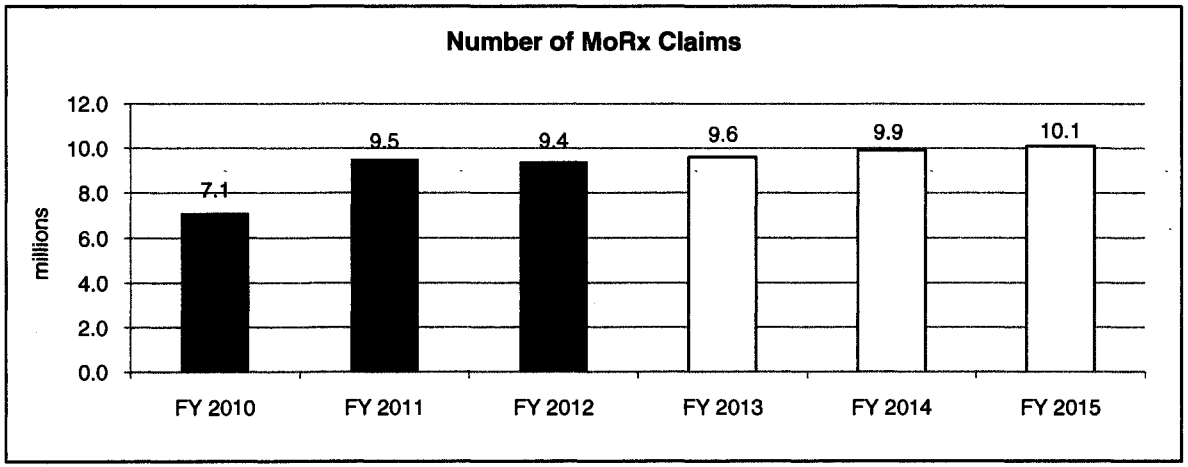


FY 2013 planned is a net of reserves. Reserves of $4,020,848 Other.

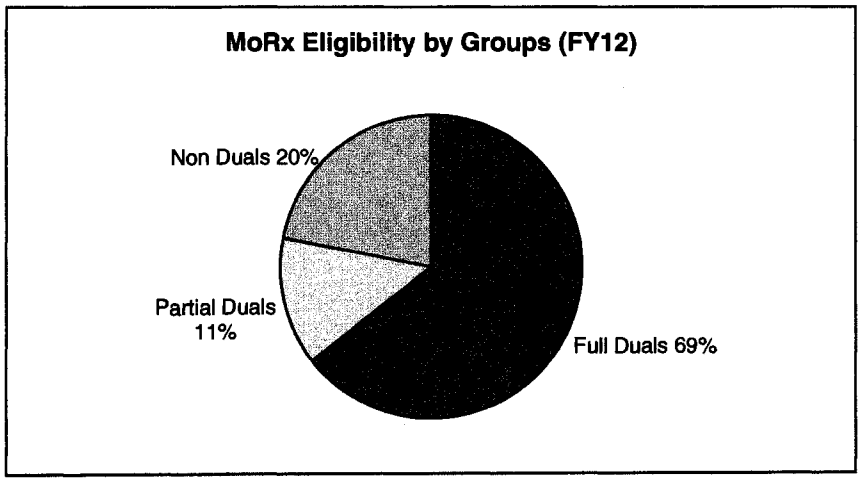
6. What are the sources of the "Other " funds?

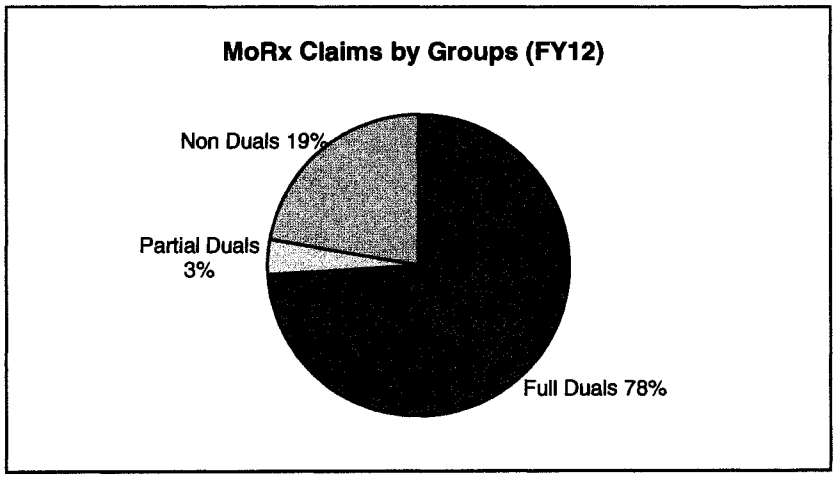
Missouri Rx Plan Fund (0779) and Healthy Families Trust Fund (0625).

7a. Provide an effectiveness measure.

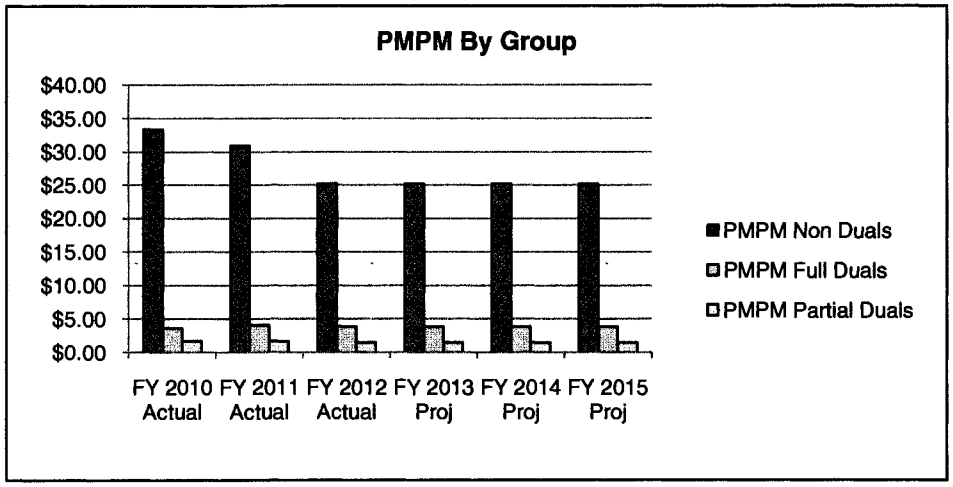


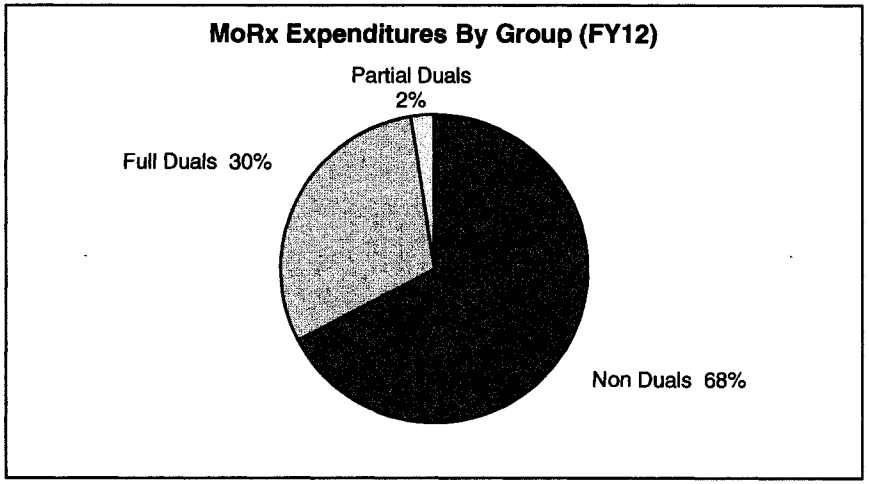
Most MoRx members receive "extra help" with their prescription drug costs through the federal governments Low Income Subsidy Program (LIS). With the MoRx wrap-around benefit their cost was $3.25 or less for each prescription for calendar year 2012.



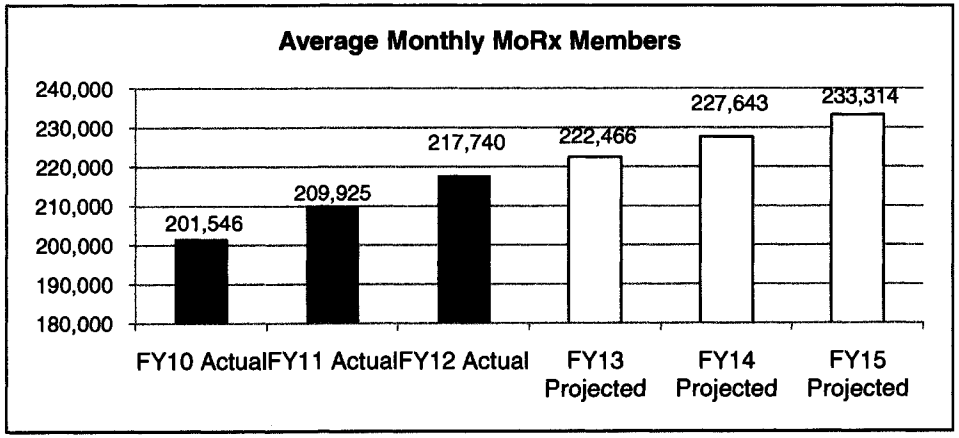


7b. Provide an efficiency measure.





7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Pharmacy FRA

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY FRA								
CORE								
PROGRAM-SPECIFIC								
PHARMACY REIMBURSEMENT ALLOWAN	94,110,363	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL - PD	94,110,363	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL	**94,110,363**	**0.00**	**108,308,926**	**0.00**	**108,308,926**	**0.00**	**108,308,926**	**0.00**
GRAND TOTAL	**$94,110,363**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy Federal Reimbursement Allowance (PFRA) Payments

Budget Unit: 90542C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD			108,308,926	108,308,926
TRF				
Total			108,308,926	108,308,926
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			108,308,926	108,308,926
TRF				
Total			108,308,926	108,308,926
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowance Fund (0144)

2. CORE DESCRIPTION

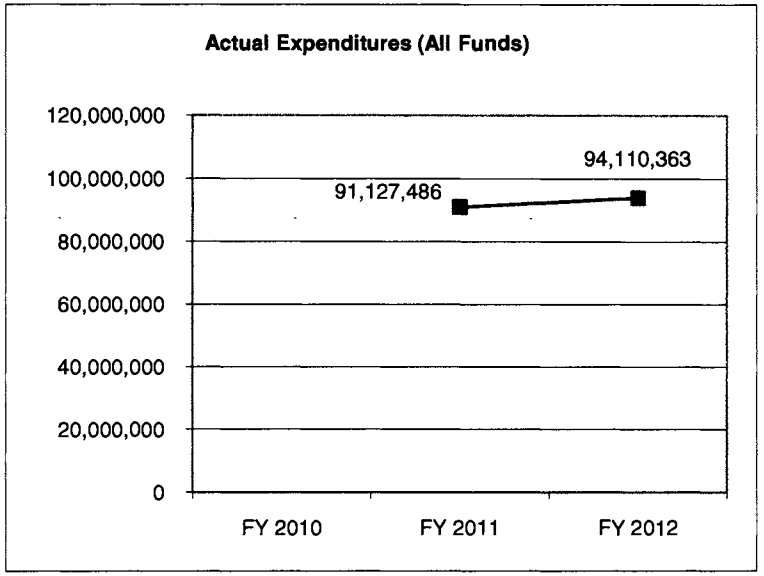
This core request is for ongoing funding for payments for pharmacy services for Title XIX participants. Funds from this core are used to provide enhanced dispensing fee payment rates using the Pharmacy Federal Reimbursement Allowance under the Title XIX of the Social Security Act as a General Revenue equivalent. Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this PFRA program appropriation and the Pharmacy appropriation.

3. PROGRAM LISTING (list programs included in this core funding)

Pharmacy Federal Reimbursement Allowance (PFRA) Program

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)		95,589,155	94,110,363	108,308,926
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	95,589,155	94,110,363	N/A
Actual Expenditures (All Funds)		91,127,486	94,110,363	N/A
Unexpended (All Funds)	0	4,461,669	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	4,461,669	0	N/A
	(1)	(2)	(3)	(4)



NOTES:

(1) FY 2010: The PFRA program was funded through the Pharmacy appropriation prior to FY11.

(2) FY 2011: "E" increase of $5,280,229 Pharmacy Reimbursement Allowance Fund.

(3) FY 2012: "E" increase of $3,801,437 Pharmacy Reimbursement Allowance Fund.

(4) FY 2013: Appropriation increased due to estimated appropriation or "E" status being removed.

CORE RECONCILIATION DETAIL

STATE

PHARMACY FRA

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	**0.00**	**0**	**0**	**108,308,926**	**108,308,926**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	**0.00**	**0**	**0**	**108,308,926**	**108,308,926**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	108,308,926	108,308,926	
	Total	**0.00**	**0**	**0**	**108,308,926**	**108,308,926**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY FRA								
CORE								
PROGRAM DISTRIBUTIONS	94,110,363	0.00	108,308,926	0.00	108,308,926	0.00	108,308,926	0.00
TOTAL - PD	**94,110,363**	**0.00**	**108,308,926**	**0.00**	**108,308,926**	**0.00**	**108,308,926**	**0.00**
GRAND TOTAL	**$94,110,363**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$94,110,363**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**	**$108,308,926**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Pharmacy Federal Reimbursement Allowance (PFRA) Payments
Program is found in the following core budget(s): Pharmacy Federal Reimbursement Allowance (PFRA)

1. What does this program do?

Pharmacies are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund the PFRA program. This program provides funding to pay enhanced dispensing fees to pharmacies using the Pharmacy Federal Reimbursement Allowance Fund as a General Revenue equivalent.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 338.500; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B

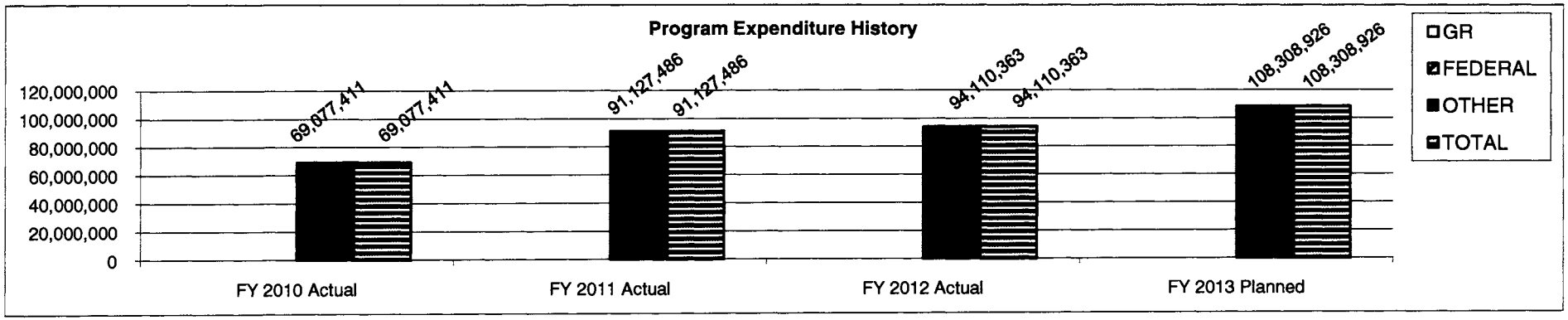
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



The PFRA was requested as a new section in FY11. Previous expenditures are included in the Pharmacy program expenditure history.

6. What are the sources of the "Other " funds?

Pharmacy Federal Reimbursement Allowance (0144)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

Pharmacy FRA Tax Assessments Revenues Obtained to Draw Federal Dollars	
SFY	Assessments
2010	$67.9 mil
2011	$99.0 mil
2012	$97.6 mil
2013	$97.6 mil estimated
2014	$97.6 mil estimated
2015	$97.6 mil estimated

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

GR Pharmacy FRA
Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR PHARMACY FRA TRANSFER								
CORE								
FUND TRANSFERS								
GENERAL REVENUE	35,764,609	0.00	35,000,000	0.00	35,000,000	0.00	35,000,000	0.00
TOTAL - TRF	35,764,609	0.00	35,000,000	0.00	35,000,000	0.00	35,000,000	0.00
TOTAL	**35,764,609**	**0.00**	**35,000,000**	**0.00**	**35,000,000**	**0.00**	**35,000,000**	**0.00**
Transfer Authority Increase - 1886016								
FUND TRANSFERS								
GENERAL REVENUE	0	0.00	0	0.00	764,609	0.00	764,609	0.00
TOTAL - TRF	0	0.00	0	0.00	764,609	0.00	764,609	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**764,609**	**0.00**	**764,609**	**0.00**
GRAND TOTAL	**$35,764,609**	**0.00**	**$35,000,000**	**0.00**	**$35,764,609**	**0.00**	**$35,764,609**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR Pharmacy FRA Transfer

Budget Unit 90535C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	35,000,000			35,000,000
Total	35,000,000	0	0	35,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	35,000,000			35,000,000
Total	35,000,000	0	0	35,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

3. PROGRAM LISTING (list programs included in this core funding)

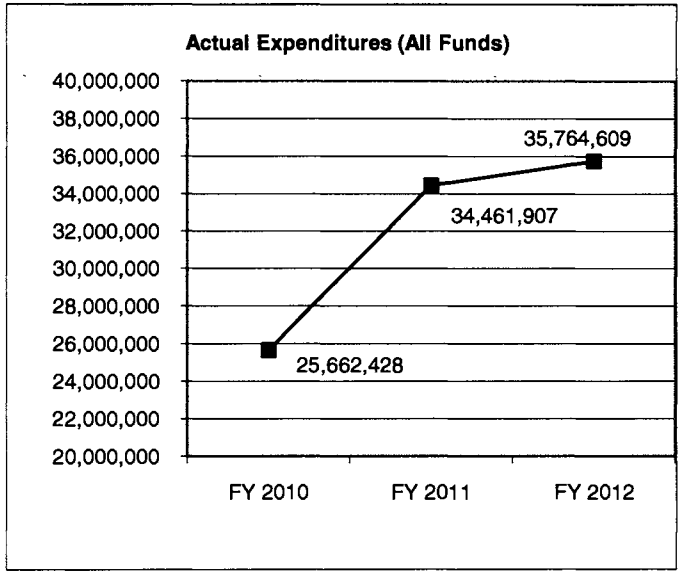
GR Pharmacy FRA -Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR Pharmacy FRA Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	30,000,000	34,700,000	35,800,000	35,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	30,000,000	34,700,000	35,800,000	N/A
Actual Expenditures (All Fund	25,662,428	34,461,907	35,764,609	N/A
Unexpended (All Funds)	4,337,572	238,093	35,391	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	4,337,572	238,093	35,391	N/A
		(1)	(2)	(3)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2011: There was an "E" increase of $4,700,000.

(2) FY 2012: There was an "E" increase of $5,800,000.

(3) FY 2013: Estimated appropriation or "E" status was removed.

CORE RECONCILIATION DETAIL

STATE
GR PHARMACY FRA TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	35,000,000	0	0	35,000,000	
	Total	**0.00**	**35,000,000**	**0**	**0**	**35,000,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	35,000,000	0	0	35,000,000	
	Total	**0.00**	**35,000,000**	**0**	**0**	**35,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	35,000,000	0	0	35,000,000	
	Total	**0.00**	**35,000,000**	**0**	**0**	**35,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR PHARMACY FRA TRANSFER								
CORE								
TRANSFERS OUT	35,764,609	0.00	35,000,000	0.00	35,000,000	0.00	35,000,000	0.00
TOTAL - TRF	**35,764,609**	**0.00**	**35,000,000**	**0.00**	**35,000,000**	**0.00**	**35,000,000**	**0.00**
GRAND TOTAL	**$35,764,609**	**0.00**	**$35,000,000**	**0.00**	**$35,000,000**	**0.00**	**$35,000,000**	**0.00**
GENERAL REVENUE	**$35,764,609**	**0.00**	**$35,000,000**	**0.00**	**$35,000,000**	**0.00**	**$35,000,000**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: GR Pharmacy FRA Transfer
Program is found in the following core budget(s): GR Pharmacy FRA Transfer

1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

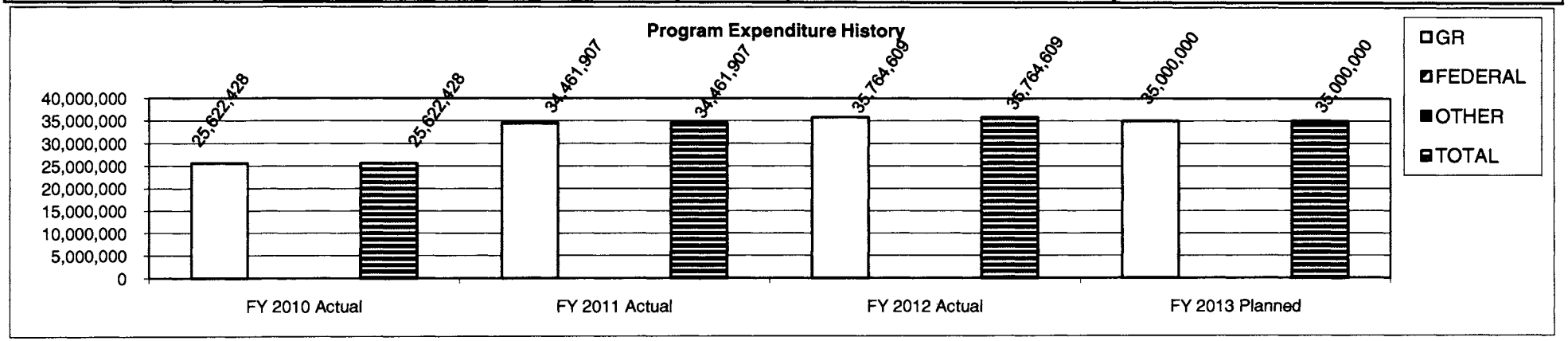
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

Pharmacy FRA
Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY FRA TRANSFER								
CORE								
FUND TRANSFERS								
PHARMACY REIMBURSEMENT ALLOWAN	35,764,609	0.00	35,000,000	0.00	35,000,000	0.00	35,000,000	0.00
TOTAL - TRF	35,764,609	0.00	35,000,000	0.00	35,000,000	0.00	35,000,000	0.00
TOTAL	**35,764,609**	**0.00**	**35,000,000**	**0.00**	**35,000,000**	**0.00**	**35,000,000**	**0.00**
Transfer Authority Increase - 1886016								
FUND TRANSFERS								
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	0	0.00	764,609	0.00	764,609	0.00
TOTAL - TRF	0	0.00	0	0.00	764,609	0.00	764,609	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**764,609**	**0.00**	**764,609**	**0.00**
GRAND TOTAL	**$35,764,609**	**0.00**	**$35,000,000**	**0.00**	**$35,764,609**	**0.00**	**$35,764,609**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy FRA Transfer

Budget Unit 90537C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	0		35,000,000	35,000,000
Total	0	0	35,000,000	35,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowan (0144)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	0		35,000,000	35,000,000
Total	0	0	35,000,000	35,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Pharmacy Reimbursement Allowan (0144)

2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

3. PROGRAM LISTING (list programs included in this core funding)

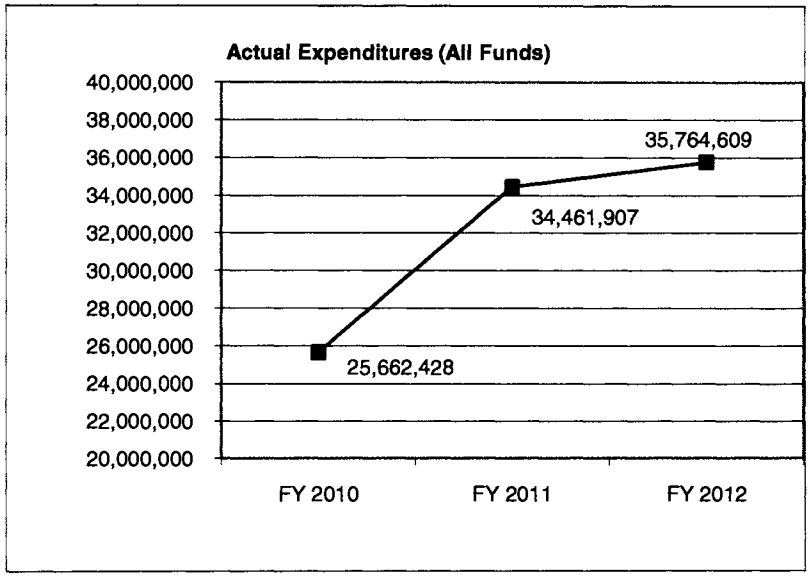
GR Pharmacy FRA -Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Pharmacy FRA Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	30,000,000	34,700,000	35,800,000	35,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	30,000,000	34,700,000	35,800,000	N/A
Actual Expenditures (All Funds)	25,662,428	34,461,907	35,764,609	N/A
Unexpended (All Funds)	4,337,572	238,093	35,391	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	4,337,572	238,093	35,391	N/A
		(1)	(2)	(3)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2011: There was an "E" increase of $4,700,000.

(2) FY 2012: There was an "E" increase of $5,800,000.

(3) FY 2013: Estimated appropriation or "E" status was removed.

CORE RECONCILIATION DETAIL

STATE
PHARMACY FRA TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	35,000,000	35,000,000	
	Total	**0.00**	**0**	**0**	**35,000,000**	**35,000,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	35,000,000	35,000,000	
	Total	**0.00**	**0**	**0**	**35,000,000**	**35,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	35,000,000	35,000,000	
	Total	**0.00**	**0**	**0**	**35,000,000**	**35,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHARMACY FRA TRANSFER								
CORE								
TRANSFERS OUT	35,764,609	0.00	35,000,000	0.00	35,000,000	0.00	35,000,000	0.00
TOTAL - TRF	35,764,609	0.00	35,000,000	0.00	35,000,000	0.00	35,000,000	0.00
GRAND TOTAL	$35,764,609	0.00	$35,000,000	0.00	$35,000,000	0.00	$35,000,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$35,764,609	0.00	$35,000,000	0.00	$35,000,000	0.00	$35,000,000	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name:Pharmacy FRA Transfer
Program is found in the following core budget(s): Pharmacy FRA Transfer

1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

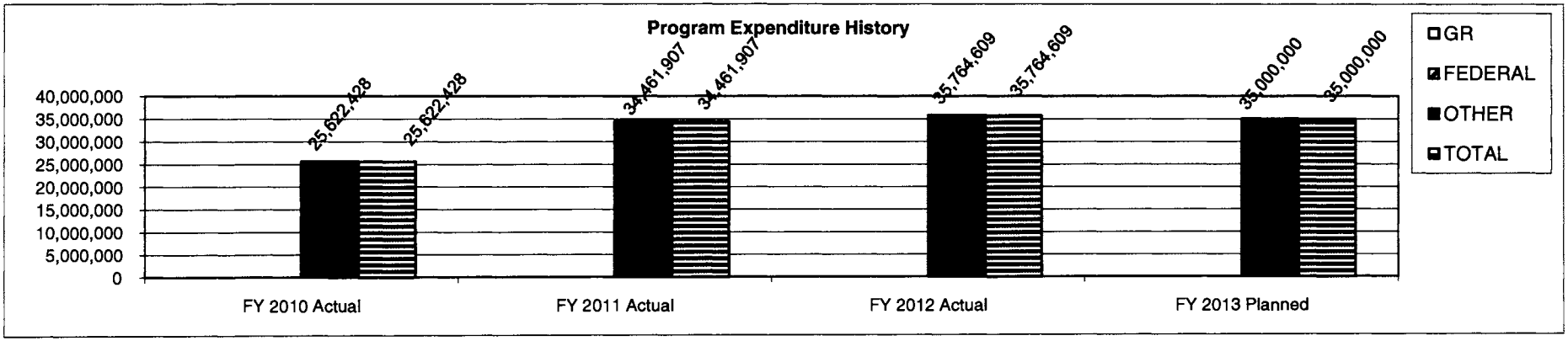
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Pharmacy Reimbursement Allowan (0144)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the Pharmacy Federal Reimbursement Allowance program.

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	2,565,243	0.00	2,700,000	0.00	2,700,000	0.00	2,700,000	0.00
TITLE XIX-FEDERAL AND OTHER	2,612,197	0.00	2,800,000	0.00	2,800,000	0.00	2,800,000	0.00
TOTAL - EE	5,177,440	0.00	5,500,000	0.00	5,500,000	0.00	5,500,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	202,664,376	0.00	201,016,460	0.00	201,016,460	0.00	206,877,944	0.00
TITLE XIX-FEDERAL AND OTHER	387,861,587	0.00	402,221,427	0.00	402,221,427	0.00	411,110,865	0.00
THIRD PARTY LIABILITY COLLECT	1,906,107	0.00	1,906,107	0.00	0	0.00	0	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	10,000	0.00	10,000	0.00	10,000	0.00
HEALTH INITIATIVES	1,210,118	0.00	1,427,081	0.00	1,427,081	0.00	1,427,081	0.00
HEALTHY FAMILIES TRUST	1,041,034	0.00	6,041,034	0.00	6,041,034	0.00	6,041,034	0.00
TOTAL - PD	594,683,222	0.00	612,622,109	0.00	610,716,002	0.00	625,466,924	0.00
TOTAL	**599,860,662**	**0.00**	**618,122,109**	**0.00**	**616,216,002**	**0.00**	**630,966,924**	**0.00**
Medicaid Primary Care Rate Inc - 1886014								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	36,785,727	0.00	36,785,727	0.00
TOTAL - PD	0	0.00	0	0.00	36,785,727	0.00	36,785,727	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**36,785,727**	**0.00**	**36,785,727**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,906,107	0.00	1,906,107	0.00
TOTAL - PD	0	0.00	0	0.00	1,906,107	0.00	1,906,107	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**1,906,107**	**0.00**	**1,906,107**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	619,431	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	619,431	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**619,431**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
Foster Children Medicaid - 1886025								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	778,800	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	778,800	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**778,800**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(6,115,458)	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	(16,878)	0.00
HEALTHY FAMILIES TRUST	0	0.00	0	0.00	0	0.00	(24,514)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(6,156,850)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(6,156,850)**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	2,622,058	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	4,281,048	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	16,878	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	6,919,984	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**6,919,984**	**0.00**
GRAND TOTAL	**$599,860,662**	**0.00**	**$618,122,109**	**0.00**	**$654,907,836**	**0.00**	**$671,820,123**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Physician Related

Budget Unit: 90544C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE	2,700,000	2,800,000		5,500,000
PSD	201,016,460	402,221,427	7,478,115	610,716,002
TRF				
Total	203,716,460	405,021,427	7,478,115	616,216,002
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Third Party Liability Collections Fund (TPL) (0120)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Pharmacy Reimbursement Allowance Fund (0144)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	2,700,000	2,800,000		5,500,000
PSD	206,877,944	411,110,865	7,478,115	625,466,924
TRF				
Total	209,577,944	413,910,865	7,478,115	630,966,924
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Pharmacy Reimbursement Allowance Fund (0144)

2. CORE DESCRIPTION

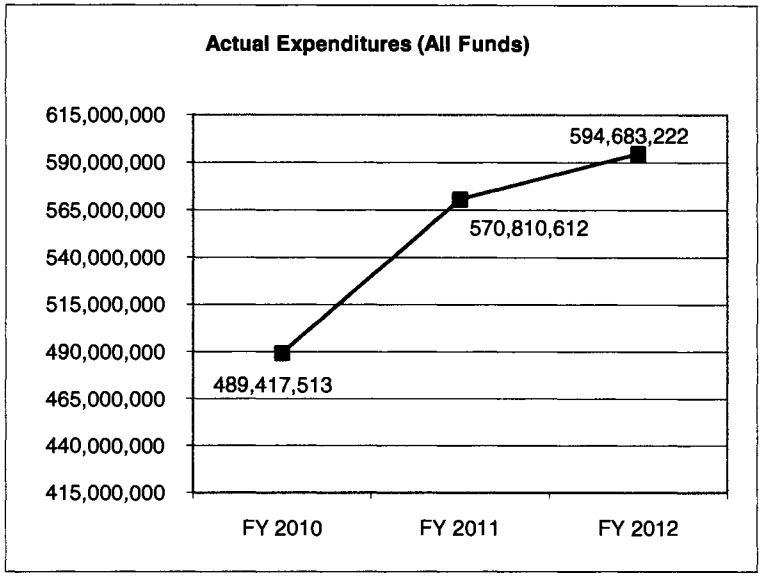
This core request is for the ongoing funding for professional services provided to MO HealthNet participants by physicians, nurse practitioners, clinics, lab and x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, federally qualified health centers, psychologists, professional counselors, and licensed clinical social workers.

3. PROGRAM LISTING (list programs included in this core funding)

Physicians, clinics, lab & x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, nurse practitioners, federally qualified health centers, psychologists, professional counselors, and licensed clinical social workers.

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr
Appropriation (All Funds)	492,805,063	594,571,350	605,830,842	618,122,109
Less Reverted (All Funds)	(1,237,426)	(37,426)	(2,431,013)	N/A
Budget Authority (All Funds)	491,567,637	594,533,924	603,399,829	N/A
Actual Expenditures (All Funds)	489,417,513	570,810,612	594,683,222	N/A
Unexpended (All Funds)	2,150,124	23,723,312	8,716,607	N/A
Unexpended, by Fund:				
General Revenue	11	11,753,760	2,565,486	N/A
Federal	2,150,113	11,660,568	6,151,121	N/A
Other	0	308,984	0	N/A
	(1)		(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

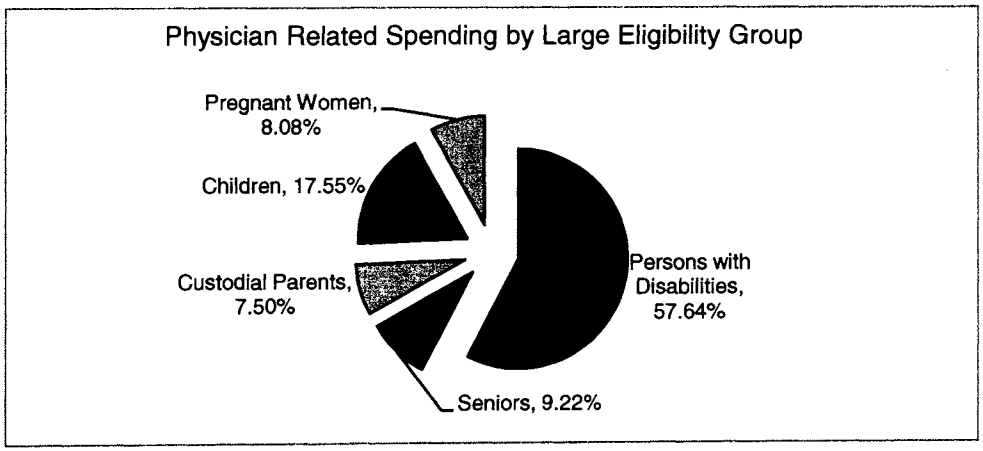
(1) FY 2010: Expenditures of $89,692,366 were paid from the Supplemental Pool. Used $3,064 in General Revenue to pay DESE services. Agency reserve of $2,150,084 in Federal Fund.

(2) FY 2012: Expenditures of $7,209,766 were paid from the Supplemental Pool.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Physician PMPM	*Acute Care PMPM*	*Total PMPM*	*Physician Percentage of Acute*	*Physician Percentage of Total*
PTD	$150.13	$990.49	$1,691.92	15.16%	8.87%
Seniors	$51.90	$324.66	$1,311.01	15.99%	3.96%
Custodial Parents	$40.67	$439.91	$455.95	9.25%	8.92%
Children*	$16.26	$247.84	$280.12	6.56%	5.80%
Pregnant Women	$126.27	$546.42	$555.64	23.11%	22.73%

Source: Table 23 Medical Statistics for Fiscal Year 2012, Paid Claims Data. Includes EPSDT services.
** CHIP eligibles not included*



Source: Table 23 Medical Statistics for Fiscal Year 2012, Paid Claims Data.

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for physician related services, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the physician PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for physician related services. It provides a snapshot of what eligibility groups are receiving physician related services, as well as the populations impacted by program changes.

STATE
PHYSICIAN RELATED PROF

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	2,700,000	2,800,000	0	5,500,000	
		PD	0.00	201,016,460	402,221,427	9,384,222	612,622,109	
		Total	**0.00**	**203,716,460**	**405,021,427**	**9,384,222**	**618,122,109**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1648 6996	PD	0.00	0	0	(1,906,107)	(1,906,107)	Core reduction TPL based on revenue estimates. Corresponding GR pickup NDI.
NET DEPARTMENT CHANGES			**0.00**	**0**	**0**	**(1,906,107)**	**(1,906,107)**	
DEPARTMENT CORE REQUEST								
		EE	0.00	2,700,000	2,800,000	0	5,500,000	
		PD	0.00	201,016,460	402,221,427	7,478,115	610,716,002	
		Total	**0.00**	**203,716,460**	**405,021,427**	**7,478,115**	**616,216,002**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	2295 8197	PD	0.00	0	(619,431)	0	(619,431)	
Core Reallocation	1984 8197	PD	0.00	0	9,508,869	0	9,508,869	
Core Reallocation	1984 8196	PD	0.00	5,861,484	0	0	5,861,484	
NET GOVERNOR CHANGES			**0.00**	**5,861,484**	**8,889,438**	**0**	**14,750,922**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	2,700,000	2,800,000	0	5,500,000	
		PD	0.00	206,877,944	411,110,865	7,478,115	625,466,924	
		Total	**0.00**	**209,577,944**	**413,910,865**	**7,478,115**	**630,966,924**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN RELATED PROF								
CORE								
PROFESSIONAL SERVICES	3,362,752	0.00	3,900,002	0.00	3,900,002	0.00	3,900,002	0.00
MISCELLANEOUS EXPENSES	1,814,688	0.00	1,599,998	0.00	1,599,998	0.00	1,599,998	0.00
TOTAL - EE	**5,177,440**	**0.00**	**5,500,000**	**0.00**	**5,500,000**	**0.00**	**5,500,000**	**0.00**
PROGRAM DISTRIBUTIONS	594,683,222	0.00	612,622,109	0.00	610,716,002	0.00	625,466,924	0.00
TOTAL - PD	**594,683,222**	**0.00**	**612,622,109**	**0.00**	**610,716,002**	**0.00**	**625,466,924**	**0.00**
GRAND TOTAL	**$599,860,662**	**0.00**	**$618,122,109**	**0.00**	**$616,216,002**	**0.00**	**$630,966,924**	**0.00**
GENERAL REVENUE	**$205,229,619**	**0.00**	**$203,716,460**	**0.00**	**$203,716,460**	**0.00**	**$209,577,944**	**0.00**
FEDERAL FUNDS	**$390,473,784**	**0.00**	**$405,021,427**	**0.00**	**$405,021,427**	**0.00**	**$413,910,865**	**0.00**
OTHER FUNDS	**$4,157,259**	**0.00**	**$9,384,222**	**0.00**	**$7,478,115**	**0.00**	**$7,478,115**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Physician Related
Program is found in the following core budget(s): Physician Related

1. What does this program do?

This program provides payment for professional services provided to MO HealthNet participants by physicians, clinics, lab & x-ray facilities, nurse midwives, podiatrists, certified registered nurse anesthetists, anesthesiologist assistants, independent diagnostic testing facilities, rural health clinics, nurse practitioners, federally qualified health centers, psychologists, professional counselors, and licensed clinical social workers.

A general description of each of the MO HealthNet provider groups in the Physician Related Program is as follows:

Physician - Proper health care is essential to the general health and well-being of MO HealthNet participants. Physicians, including medical doctors and doctors of osteopathy, are typically the front line providers where MO HealthNet participants enter the state's health care system. They provide a myriad of health care services and tie the various parts of the health care system together.

Physician services are diagnostic, therapeutic, rehabilitative or palliative procedures provided by, and under the supervision of, a licensed physician who is practicing within the scope of practice allowed and is enrolled in the MO HealthNet program.

Physicians enrolled in the MO HealthNet program are identified by the specialty of medicine they practice. Specialties include: allergy immunology; anesthesiology; dermatology; emergency medicine; family practice; general practice; general surgery; internal medicine; laryngology; nuclear medicine; neurological surgery; obstetrics/gynecology; ophthalmology; otology; otolaryngology; orthopedic surgery; pathology; pediatrics; physical medicine and rehabilitation; plastic surgery; preventive medicine; proctology; psychiatry; neurology; radiation therapy; radiology; rectal and colon surgery; rehabilitative medicine; rhinology; thoracic surgery; urology; and cardiology.

The services of a physician may be administered in a myriad of settings including the physician's office, the participant's home (or other place of residence such as a nursing facility), the hospital (inpatient/outpatient) or settings such as a medical clinic or ambulatory surgical care facility.

Services rendered by a physician, including appropriate supplies, are billable by the physician only where there is direct personal supervision by the physician. This applies to services rendered by auxiliary personnel employed by the physician and working under his/her on-site supervision such as nurses, non-physician anesthetists, physician assistants, technicians, therapists and other aides.

The majority of services provided by a physician are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case. Certain procedures, such as organ transplants, are available only on a prior approval basis.

Periodic Screening Diagnosis Treatment /Healthy Children and Youth (EPSDT/HCY) program provides services to MO HealthNet participants who are infants, children, and youth under the age of 21 years with a primary and preventive care focus. Full, partial and interperiodic health screenings, medical and dental examinations, immunizations and medically necessary treatment services are covered. The goal of the MO HealthNet program is for each child to be healthy. This is achieved by the primary care provider who manages a coordinated, comprehensive, continuous health care program to address the child's primary health care needs. The program provides early and periodic medical or dental screening, diagnosis, and treatment to correct or improve defects and chronic conditions found during the screening.

Section 1202 of the Affordable Care Act (ACA) requires payments for primary care services furnished by a physician with a primary specialty of family medicine, general internal medicine, or pediatric medicine be paid at parity with Medicare beginning January 1, 2013. Section 1202 defines covered services as those Evaluation and Management (E&M) codes and immunization services that are covered by Medicare. In addition, the section provides 100% federal funding for the incremental cost of meeting this requirement. The 100% federal funding of the incremental cost is calculated based on the Medicaid rate as of July 1, 2009.

Clinic - Clinics offer preventive, diagnostic, therapeutic, rehabilitative or palliative services that are furnished by a facility that is not part of a hospital but is organized and operated to provide medical care to outpatients. Services furnished to outpatients include those furnished at the clinic by, or under the direction of, a physician and those services furnished outside the clinic by clinic personnel under the direction of a physician.

MO HealthNet reimbursement is made solely to the clinic. All health care professionals are employed by the clinic. Each provider of health care services through the clinic, in addition to being employed by the participating clinic, must be a MO HealthNet provider. Health care providers at a clinic can include physicians, nurse practitioners, radiologists and other health professionals whose services are offered at the clinic.

Lab & X-Ray - Laboratory and x-ray facilities provide examination and radiology services under the Physician program. Laboratories perform examinations of body fluids, tissues or organs by the use of various methods employing specialized equipment such as electron microscopes and radio-immunoassay. A clinical laboratory is a laboratory where microbiological, serological, chemical, hematological, radio bioassay, cytological, immunohematological or pathological examinations are performed on material derived from the human body to provide information for the diagnosis, prevention or treatment of a disease or assessment of a medical condition. Operations of a laboratory are generally directed by a pathologist.

X-ray facilities offer radiological services in which x-rays or rays from radioactive substances are used for diagnostic or therapeutic purposes. Such services include, but are not limited to radium therapy; the use of radioisotopes for diagnostic or therapeutic purposes for example, in nuclear medicine; diagnostic tests such as aortograms, pyelograms, myelograms, arteriograms and venticulograms; imaging services; x-rays; and diagnostic ultra-sounds. These operations are generally directed by a radiologist.

Both laboratories and x-ray clinics are reimbursed on a fee schedule basis. Certain x-ray services are subject to prior approval.

Nurse Midwife - Nurse Midwife services are those services related to the management and provision of care to a pregnant woman and her unborn/newborn infant by a certified nurse midwife. These services may be provided throughout the maternity cycle which includes pregnancy, labor and delivery and the initial postpartum period not to exceed six weeks. Covered services include antepartum care, delivery, post-partum care, newborn care, office visits, laboratory services and other services within the scope of practice of a nurse midwife. If there is any indication the maternity care is not for a normal uncomplicated delivery, the nurse midwife must refer the case to a physician.

Nurse midwives may also provide care outside of the maternity cycle such as family planning, counseling, birth control techniques and well-woman gynecological care including routine pap smears and breast examinations (Section 13605, OBRA 93). Nurse midwife services may also include services to the newborn, age 0 through 2 months and any other MO HealthNet eligible female, age 15 and over.

Services furnished by a nurse midwife must be within the scope of practice authorized by federal and state laws or regulations and, in the case of inpatient or outpatient hospital services or clinic services, furnished by or under the direction of a nurse midwife only to the extent permitted by the facility.

In order to qualify for participation in the MO HealthNet Nurse Midwife program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) in the state of Missouri and be currently certified as a nurse midwife by the American College of Nurse Midwives.

The services of a nurse midwife may be administered in a variety of settings including the provider's office, a hospital (inpatient or outpatient), the home of the participant (delivery and newborn care only) or a birthing center. Reimbursement for nurse midwife services is made on a fee-for-service basis and must be reasonable and consistent with efficiency, economy and quality of care as determined by MO HealthNet. MO HealthNet payment is the lower of the provider's actual billed charge, based on his/her usual and customary charge to the general public for the service, or the MO HealthNet maximum allowable amount per unit of service. The level of reimbursement to the nurse midwife is the same as that reimbursed to a physician for the same procedure.

Podiatry - Podiatrists provide medical, surgical and mechanical services for the foot or any area not above the ankle joint and receive MO HealthNet reimbursement for diagnostic, therapeutic, rehabilitative and palliative services which are within the scope of practice the podiatrist is authorized to perform. Most services provided by a podiatrist are reimbursed on a fee schedule basis although a few services are reimbursed on a manual basis, whereby each procedure or claim is priced individually by a medical consultant based on the unique circumstances of the case.

The following podiatry services are not covered for adults (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents): trimming of nondystrophic nails; debridement of one to five nails by any method; debridement of six or more nails by any method; partial or complete excision of the nail and nail matrix; and strapping of the ankle and/or foot.

The services of a podiatrist may be administered in the podiatrist's office, the participant's home (or other place of residence such as a nursing facility), a hospital (inpatient/outpatient), a medical clinic or ambulatory surgical care facility.

Certified Registered Nurse Anesthetist (CRNA) - CRNA services are those services related to the introduction and management of a substance into the body by external or internal means that causes loss of sensation with or without loss of consciousness. In order to qualify for participation in the MO HealthNet Certified Registered Nurse Anesthetist program, in addition to provisions required of all MO HealthNet providers, the applicant must hold a valid current license as an advanced practice nurse (RN) or nurse practitioner in the state of Missouri and be currently certified as a CRNA by the Council on Certification of Nurse Anesthetists.

Reimbursement for CRNA services are made on a fee-for-service basis. The services of a CRNA may be administered in the providers' office, a hospital, nursing home or clinic and include the same scope of practice as that of an anesthesiologist. CRNAs are often employed by physicians (anesthesiologists), but are not required to be employed by a physician.

Anesthesiologist Assistants (AA) - An AA is a person who works under the supervision of a licensed anesthesiologist and provides anesthesia services and related care. An AA shall practice only under the direct supervision of an anesthesiologist who is physically present or immediately available. A supervising anesthesiologist shall be allowed to supervise up to four AAs concurrently, consistent with 42 CFR 415.110. The name and mailing address of the supervising anesthesiologist must be submitted by an AA. An AA must be licensed by the Missouri Board of Healing Arts as set forth in 20 CSR 2150-9 and submit a copy to the MO HealthNet Division. An AA must practice within their scope of practice referenced in Section 334.402, RSMo. Reimbursement for AA services is made on a fee-for-service basis. An AA and a Certified Registered Nurse Anesthetist (CRNA) are not allowed to bill for the same anesthesia service.

Independent Diagnostic Testing Facility (IDTF) - These providers are independent of a hospital or a physician's office and offer medically necessary diagnostic tests. The IDTF may be a fixed location or a mobile entity. An IDTF must have one or more supervising physicians who are responsible for the direct and ongoing oversight of the quality of the testing performed, the proper operation and calibration of the equipment used to perform tests, and the qualification of non-physician personnel who use the equipment.

Rural Health Clinic (RHC) - The Rural Health Clinic Services Act of 1977 designated Rural Health Clinics as health care providers. The Act became effective for MO HealthNet reimbursement on July 1, 1978. The Rural Health Clinic Services Act of 1977 extended benefits to cover health care services to under-served rural areas where access to traditional physician care had been difficult. In those areas, specifically trained practitioners furnish the health care services needed by the community.

Rural Health Clinics must be located in a rural area that is designated a shortage area for primary care. To be eligible for this designation, a clinic must be located in an area not identified as "urbanized" by the Bureau of the Census and designated as a shortage or under-served area by one of the following definitions:

- An area with a shortage of personal health services under Section 30(b)(3) or 330(b)(3) of the Public Health Service Act (PHS);
- A Health Professional Shortage Area (HPSA) designated under Section 332(a)(1)(A) of the PHS Act;
- An area which includes a population group designated as having a health professional shortage under Section 332(a)(1)(B) of the PHS Act; or
- An area designated by the chief executive officer (Governor) of the State and certified by the Secretary of Health and Human Services as an area with a shortage of personal health services.

In addition to the above criteria, RHCs must meet the additional staffing and health and safety requirements set forth by the Rural Health Clinic Services Act. To be a MO HealthNet RHC, a clinic must be certified by the Public Health Service, be certified for participation in Medicare, and be enrolled as a MO HealthNet provider. The RHC is then designated as either an independent or a provider-based RHC.

In order to be designated a provider-based RHC, the RHC must be an integral and subordinate part of a hospital, skilled nursing facility or home health agency. The provider-based RHC must also be under common licensure, governance and professional supervision with its parent provider. Hospital-based RHCs are reimbursed the lower of 100% of their usual and customary charges or their cost-to-charge ratio. The RHCs that are based in skilled nursing facilities and home health agencies are reimbursed their usual and customary charges multiplied by the lower of the Medicare RHC rate or the rate approved by the MO HealthNet Division.

An independent RHC has no financial, organizational or administrative connection to a hospital, skilled nursing facility or home health agency. They are reimbursed a fee that is calculated either by dividing the lesser of their reasonable costs by their total number of encounters, or by multiplying the Medicare upper-payment limit by the number of MO HealthNet encounters. An annual audit of the Medicare cost report is reviewed by the Institutional Reimbursement Unit (IRU) within the MO HealthNet Division.

Nurse Practitioner - A nurse practitioner, or advanced practice nurse, is one who has had education beyond the basic nursing education and is certified by a nationally recognized professional organization as having a nursing specialty, or who meets criteria for advanced practice nurses established by the Missouri Board of Nursing. The Board of Nursing may promulgate rules specifying which professional nursing organization certifications are to be recognized as advanced practice nurses and may set standards for education, training and experience required for those without such specialty certification to become advanced practice nurses.

Numerous nurse practitioner specialties are recognized such as family, gerontology, clinical, obstetrics/GYN, neonatal, mental health, and certified registered nurse anesthetists. Reimbursement for nurse practitioner services are made on a fee-for-service basis. The level of reimbursement to the nurse practitioner is the same as that reimbursed to a physician for the same procedure. Nurse practitioners, or advanced practical nurses may prescribe medications only through a collaborative agreement with a physician.

Nurse practitioner services involve the performance for compensation of any act which requires substantial specialized education, judgment, and skill based on knowledge and application of principles derived from the biological, physical, social and nursing sciences, including: a) responsibility for the teaching of health care and the prevention of illness to the patient and his/her family; b) assessment, nursing diagnosis, nursing care, and counsel of persons who are ill, injured or experiencing alterations in normal health processes; c) administration of medications and treatments as prescribed by a person licensed in this state to prescribe such medications and treatments; and d) coordination and assistance in the delivery of a plan of health care with all members of the health team.

The services of a nurse practitioner may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. Nurse practitioners are generally employed by physicians, but are not required to be employed by physicians.

Federally Qualified Health Clinic (FQHC) - The FQHC program was established by the Omnibus Budget Reconciliation Acts of 1989 (OBRA 89) and 1990 (OBRA 90). These laws designated certain community-based health care organizations as unique health care providers called Federally Qualified Health Centers. These laws establish a set of FQHC health care services that MO HealthNet and Medicare must cover for those beneficiaries who receive services from the FQHC and require the reimbursement of reasonable cost to the FQHC for such services.

By passing the FQHC legislation, Congress recognized the following two goals of the FQHC program:

- To provide adequate reimbursement to community-based primary health care organizations (FQHCs) so that they, in turn, may better serve large number of MO HealthNet participants and/or provide more services, thus improving access to primary care.
- To enable FQHCs to use other resources previously subsidizing MO HealthNet to serve uninsured individuals who, although not eligible for MO HealthNet, have a difficult time obtaining primary care because of economic or geographic barriers.

In order to qualify for FQHC status, a facility must receive or be eligible for a grant under Section 329, 330 or 340 of the Public Health Service Act, meet the requirements for receiving such a grant, or have been a Federally Funded Health Center as of January 1, 1990.

FQHC services are initially reimbursed at 97% of the billed MO HealthNet FQHC covered charges. An annual audit of the MO HealthNet cost report is performed by the Institutional Reimbursement Unit (IRU) to determine reasonable costs. A settlement is made to adjust the reimbursement to 100% of the reasonable costs to provide MO HealthNet FQHC covered services.

Health Homes - Section 2703 of the ACA gives MO HealthNet the option to pay providers to coordinate care through a "Health Home" for individuals with chronic conditions. A health home is a "designated provider" or a health team that provides health home services to an individual with a chronic condition. A "designated provider" can be a physician, clinical practice or clinical group practice, rural clinic, community health center, home health agency, or any other entity or provider that is determined by MO HealthNet and approved by the Secretary of Health and Human Services to be a qualified health home. A team of health care professionals acting as a health home may include physicians and other professionals such as a nurse care coordinator, nutritionist or social worker. Health homes may be freestanding, virtual, or based at a hospital or other facility. Health home services include comprehensive care management, care coordination and health promotion, comprehensive transitional care from inpatient to other settings, patient and family support, and referral to community and social support services. Health homes are required to use "health information technology" to link services. Individuals who are eligible for health home services must have at least two chronic conditions or one chronic condition and the risk of having a second.

Payment is made for start-up costs and lost productivity due to collaboration demands on staff not covered by other streams of payment. In addition, clinical care management per member per month (PMPM) payments will be made for the reimbursement of the cost of staff primarily responsible for delivery of services not covered by other reimbursement (Primary Care Nurses) whose duties are not otherwise reimbursable by MO HealthNet. Also, payment is made to Practices for the value of the reduction in total health care PMPM cost, including the payments mentioned above, for the Practice Site's attributed MO HealthNet patients, relative to prior year experience.

Psychologists, Professional Counselors, and Licensed Clinical Social Workers - Medically necessary mental health services are available to MO HealthNet eligible children under the age of 21. Those services can be provided by psychologists, professional counselors and licensed clinical social workers. An adult may receive mental health services from a psychologist, but may only receive them from a licensed clinical social worker if they are a member of a FQHC or RHC. Licensed Professional Counselors may not provide services to adults in any setting.

Psychologists and provisionally licensed psychologists provide testing and assessment, individual, family and group therapy and crisis intervention services to children and adults.

Licensed Clinical Social Workers, provisionally Licensed Clinical Social Workers, Licensed Professional Counselors, and provisionally Licensed Professional

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.166; Federal law: Social Security Act Sections 1905(a)(2), (3), (5), (6), (9), (17), (21); 1905(r) and 1915(d);
Federal regulations: 42 CFR 440.210, 440.500, 412.113(c) and 441 Subpart B.

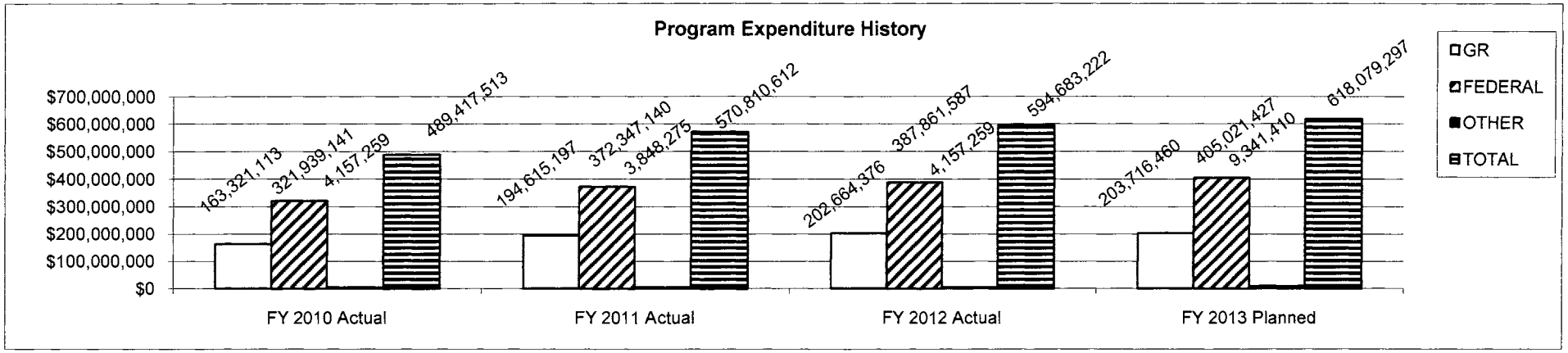
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program. (Some services are optional: podiatry, clinics, nurse practitioners and certified nurse anesthetist.)

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2012 actual expenditures do not reflect $7,209,766 paid from supplemental pool.
FY 2013 planned is net of reverted. Reverted: $42,812 Other.

6. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund (0275) and

7a. Provide an effectiveness measure.

Maintain or increase the ratio of participants who receive EPSDT screenings. The ratio has increased by 2% a year over the last three years.

The Healthy Children and Youth (HCY) Program in Missouri is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program is also known as Early Periodic Screening, Diagnosis and Treatment (EPSDT). The HCY Program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening.

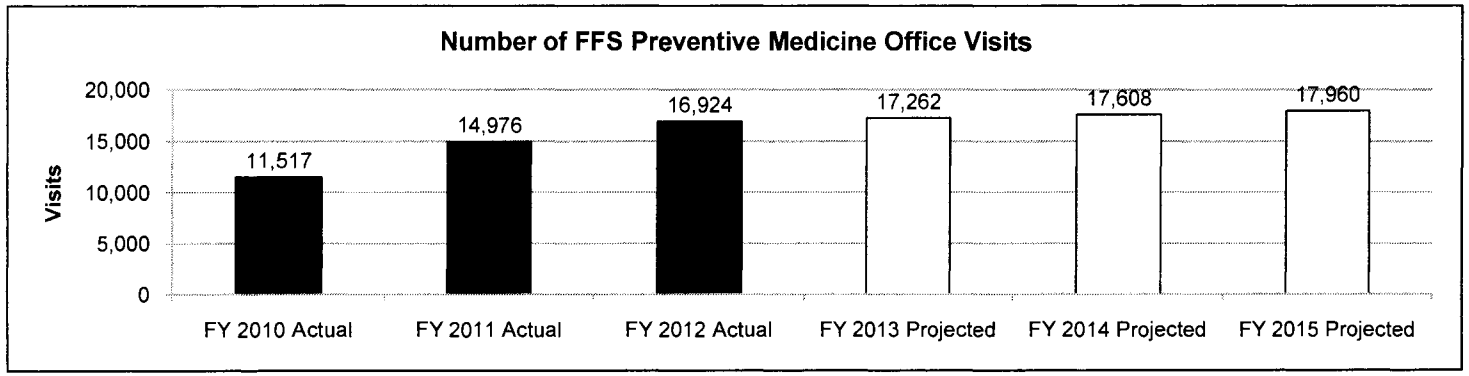
EPSDT Participant Ratio			
*Federal Fiscal Year	Participants who should have received a screening	Participants who received at least one screening	Participant Ratio
2010	417,032	306,364	73%
2011	421,057	314,553	75%
2012	429,478	320,844	75%
**2013	438,068	327,261	75%
**2014	446,829	333,806	75%
**2015	455,766	340,482	75%

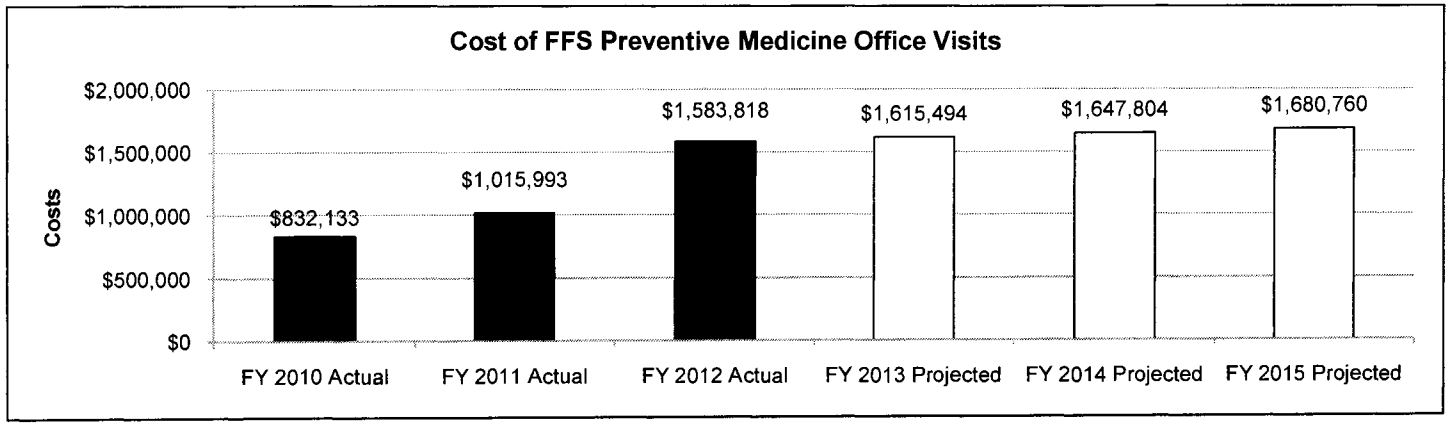
**Based on federal fiscal year in which report was submitted to CMS.*
***Projected*

7b. Provide an efficiency measure.

Increase the number of adult preventive office visits. In state fiscal year 2012, the number of fee-for-service (FFS) adult preventive office visits increased by 11% over the number in state fiscal year 2011.

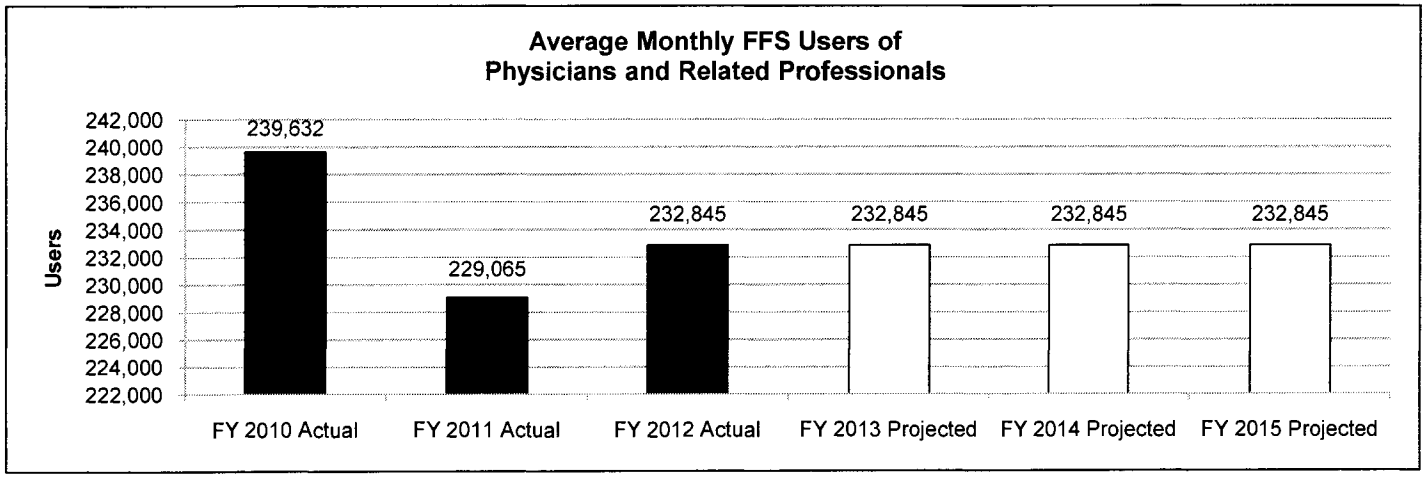
MO HealthNet pays for one "preventive" examination/physical. Preventive visits are important for routine evaluation and management of adults for the maintenance of good health and a reduction in risk factors that could lead to more expensive health care costs.





7c. Provide the number of clients/individuals served, if applicable.

Proper health care is essential to the general health and well-being of MO HealthNet participants. Physician related services are typically the front line where MO HealthNet participants enter the state's health care system. Services are provided by physicians, psychologists, nurse practitioners, podiatrists, clinics, and x-ray and lab facilities.



7d. Provide a customer satisfaction measure, if available.

N/A

Dental

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
DENTAL								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	5,363,149	0.00	6,783,972	0.00	6,783,972	0.00	5,400,793	0.00
TITLE XIX-FEDERAL AND OTHER	10,808,588	0.00	12,609,934	0.00	12,609,934	0.00	10,360,827	0.00
HEALTH INITIATIVES	50,953	0.00	71,162	0.00	71,162	0.00	71,162	0.00
HEALTHY FAMILIES TRUST	781,495	0.00	848,773	0.00	848,773	0.00	848,773	0.00
TOTAL - PD	17,004,185	0.00	20,313,841	0.00	20,313,841	0.00	16,681,555	0.00
TOTAL	**17,004,185**	**0.00**	**20,313,841**	**0.00**	**20,313,841**	**0.00**	**16,681,555**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	5,227	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	5,227	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**5,227**	**0.00**
Foster Children Medicaid - 1886025								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	41,904	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	41,904	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**41,904**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(87,264)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(87,264)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(87,264)**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	120,979	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
DENTAL								
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	196,261	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	317,240	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**317,240**	**0.00**
GRAND TOTAL	**$17,004,185**	**0.00**	**$20,313,841**	**0.00**	**$20,313,841**	**0.00**	**$16,958,662**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Dental

Budget Unit: 90546C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	6,783,972	12,609,934	919,935	20,313,841
TRF				
Total	**6,783,972**	**12,609,934**	**919,935**	**20,313,841**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Healthly Families Trust Fund (0625)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	5,400,793	10,360,827	919,935	16,681,555
TRF				
Total	**5,400,793**	**10,360,827**	**919,935**	**16,681,555**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)
Healthly Families Trust Fund (0625)

2. CORE DESCRIPTION

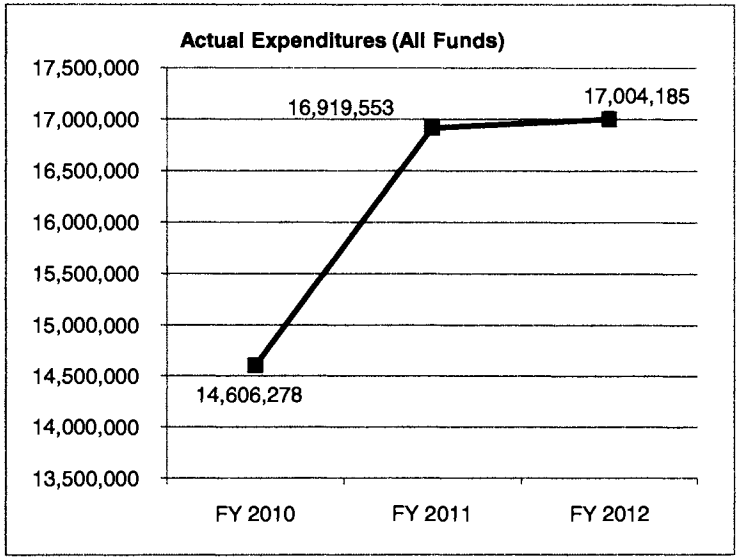
This core request is for the continued funding of the dental fee-for-service program. Funding provides dental services for children, pregnant women, the blind, and nursing facility residents.

3. PROGRAM LISTING (list programs included in this core funding)

Dental Services

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	14,608,413	19,914,360	20,313,841	20,313,841
Less Reverted (All Funds)	(2,135)	(2,135)	(2,135)	N/A
Budget Authority (All Funds)	13,199,851	14,606,278	20,311,706	N/A
Actual Expenditures (All Funds)	14,606,278	16,919,553	17,004,185	N/A
Unexpended (All Funds)	0	0	3,307,521	N/A
Unexpended, by Fund:				
General Revenue	0	1,076,985	1,123,637	N/A
Federal	0	1,900,879	2,098,532	N/A
Other	0	14,808	85,352	N/A
	(1)			



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

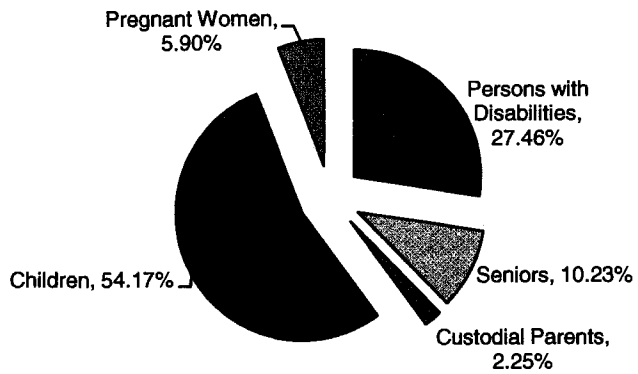
(1) FY2010: Expenditures of $2,523,921 were paid from the Supplemental Pool.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	*Dental PMPM**	*Acute Care PMPM*	*Total PMPM*	*Dental Percentage of Acute*	*Dental Percentage of Total*
PTD	$2.15	$990.49	$1,691.92	0.22%	0.13%
Seniors	$1.73	$324.66	$1,311.01	0.53%	0.13%
Custodial Parents	$0.37	$439.91	$455.95	0.08%	0.08%
Children*	$1.51	$247.84	$280.12	0.61%	0.54%
Pregnant Women	$2.77	$546.42	$555.64	0.51%	0.50%

Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data)
** CHIP eligibles not included*

Dental Spending by Large Eligibility Group



Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for dental care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the dental PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for dental services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.

STATE
DENTAL

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	6,783,972	12,609,934	919,935	20,313,841	
		Total	**0.00**	**6,783,972**	**12,609,934**	**919,935**	**20,313,841**	
DEPARTMENT CORE REQUEST								
		PD	0.00	6,783,972	12,609,934	919,935	20,313,841	
		Total	**0.00**	**6,783,972**	**12,609,934**	**919,935**	**20,313,841**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1969 8199	PD	0.00	0	(2,243,880)	0	(2,243,880)	
Core Reduction	1969 8198	PD	0.00	(1,383,179)	0	0	(1,383,179)	
Core Reduction	2297 8199	PD	0.00	0	(5,227)	0	(5,227)	
NET GOVERNOR CHANGES			**0.00**	**(1,383,179)**	**(2,249,107)**	**0**	**(3,632,286)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	5,400,793	10,360,827	919,935	16,681,555	
		Total	**0.00**	**5,400,793**	**10,360,827**	**919,935**	**16,681,555**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
DENTAL								
CORE								
PROGRAM DISTRIBUTIONS	17,004,185	0.00	20,313,841	0.00	20,313,841	0.00	16,681,555	0.00
TOTAL - PD	**17,004,185**	**0.00**	**20,313,841**	**0.00**	**20,313,841**	**0.00**	**16,681,555**	**0.00**
GRAND TOTAL	**$17,004,185**	**0.00**	**$20,313,841**	**0.00**	**$20,313,841**	**0.00**	**$16,681,555**	**0.00**
GENERAL REVENUE	**$5,363,149**	**0.00**	**$6,783,972**	**0.00**	**$6,783,972**	**0.00**	**$5,400,793**	**0.00**
FEDERAL FUNDS	**$10,808,588**	**0.00**	**$12,609,934**	**0.00**	**$12,609,934**	**0.00**	**$10,360,827**	**0.00**
OTHER FUNDS	**$832,448**	**0.00**	**$919,935**	**0.00**	**$919,935**	**0.00**	**$919,935**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Dental
Program is found in the following core budget(s): Dental

1. What does this program do?

Dental services are typically those diagnostic, preventive and corrective procedures provided by a licensed dentist or dental hygienist performing within his/her scope of practice. The dentist must be enrolled in the MO HealthNet program. Generally, dental services include: treatment of the teeth and associated structure of the oral cavity; preparation, fitting and repair of dentures and associated appliances; and treatment of disease, injury or impairments that affect the general oral health of a participant.

To participate in the MO HealthNet program, a dentist must be licensed by the Missouri Dental Board and have a signed Title XIX Participation Agreement. The services of a dentist may be administered in a variety of settings including the provider's office, a hospital, nursing home or clinic. The fees paid to the provider are based on maximum allowable amounts identified on a fee schedule. Prior authorization is required for certain services, such as orthodontic treatment, composite resin crowns, metallic and porcelain/ceramic inlay restorations, high noble metal crowns, etc.

Since September 1, 2005, MO HealthNet only covers dental services for adults (age 21 and over) (except individuals under a category of assistance for pregnant women or the blind or nursing facility residents) if the dental care is related to trauma of the mouth, jaw, teeth or other contiguous sites as a result of injury or for the treatment of a medical condition without which the health of the individual would be adversely affected. Treatment for a medical condition requires a written referral from the participant's physician stating that the absence of dental treatment would adversely affect a stated pre-existing medical condition. Dental services for children ages 20 and under and individuals under a category of assistance for pregnant women, the blind or nursing facility residents remain unchanged.

Covered services under the dental program include, but are not limited to, the following: examinations; prophylaxis; fluoride treatments; extractions; anesthesia; crowns; injections; oral surgery; periodontal treatment (in limited cases); pulp treatment; restoration; root canal therapy and x-rays. Orthodontic services, the field of dentistry associated with the correction of abnormally positioned or misaligned teeth, are available only to those eligible's age 20 and under for the most severe malocclusions. Dentures (full or partial), denture adjustments or repairs, and denture duplication or relines are covered only for participants under a category of assistance for pregnant women, the blind, nursing facility residents or children 20 and under.

Senate Bill 577 (94th General Assembly) allowed for coverage of medically necessary dental services for adults if funds were appropriated; however no funding has been appropriated for these services.

A copayment, a portion of the providers' charges paid by the participant, is required on many dental services. Participants under age 19, hospice participants, participants who reside in nursing facilities, residential care facilities, psychiatric hospitals or adult boarding homes, and participants age 18-21 in foster care are exempt from copayments. The copayment, in accordance with title 42 Code of Federal Regulations part 447.54, is based on the lesser of the provider's usual charge for the service or the Maximum Allowable Amount. The copayment is $.50 for charges of $10.00 or less, $1.00 for $10.01 to $25.00, $2.00 for $25.01 to $50.00 and $3.00 for charges of $50.01 or more. Reimbursement for services to individuals not subject to the copayment is determined by adding together the maximum allowable amount plus one-half the participant cost share amount listed for the procedure. This formula represents the minimum amount allowed for the procedure code. Reimbursement is made at the lower of the providers billed amount or the maximum allowed less any third-party liability (TPL) amounts.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statute: RSMo. 208.152, 208.166; Federal law: Social Security Act Section 1905(a)(10); Federal regulation: 42 CFR 440.100

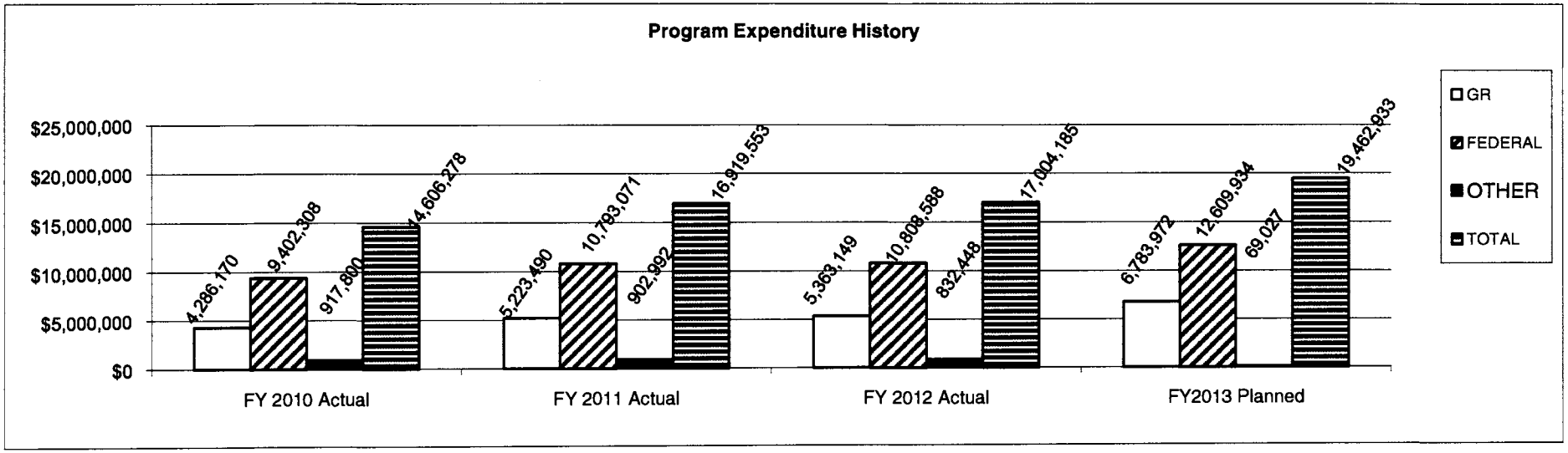
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

Yes for children. No for adults.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2013 planned is net of reverted and reserved. Reverted: $2,135 Other Funds
Reserve: $848,773 Other Funds

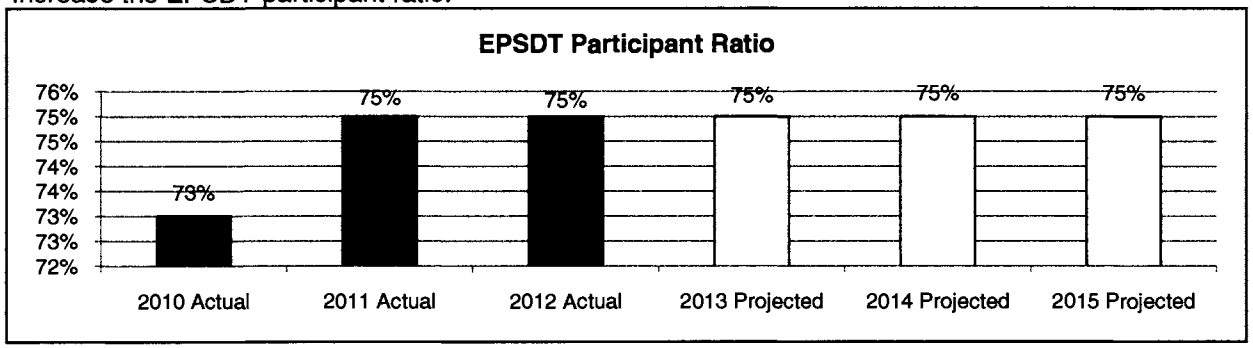
6. What are the sources of the "Other " funds?

Health Initiatives Fund (0275) and Healthy Families Trust Fund (0625).

7a. Provide an effectiveness measure.

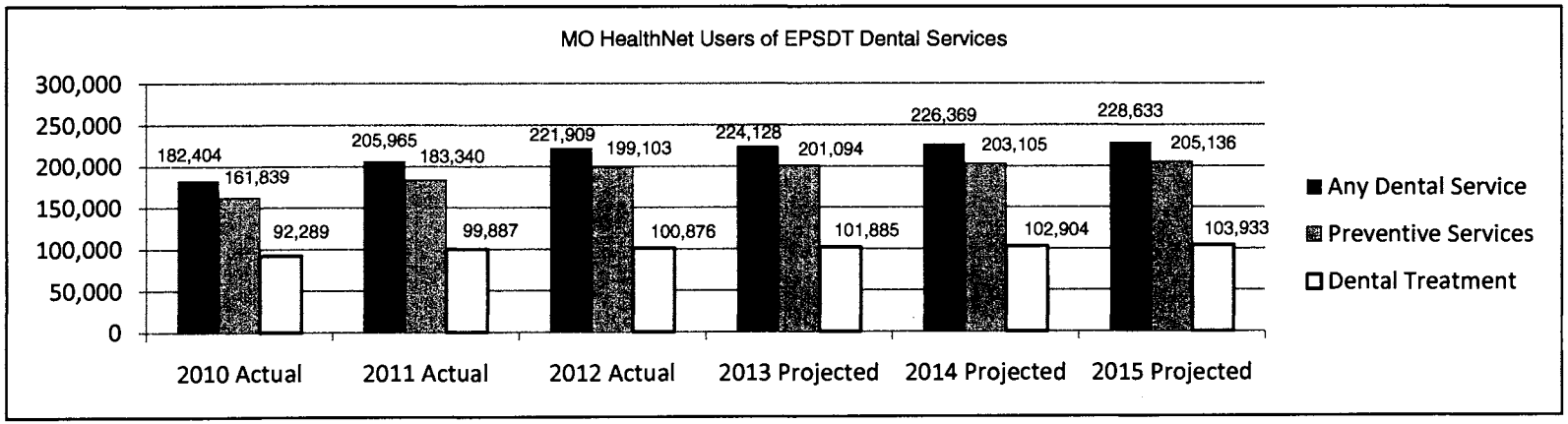
The purpose of the Early Periodic Screening Diagnosis and Treatment/ Healthy Children and Youth (EPSDT/HCY) program is to ensure a comprehensive, preventive health care program for Missouri. The HCY program provides early and periodic medical, dental, vision, and hearing screening, diagnosis and treatment to ameliorate defects and chronic conditions found during the screening. A dental screening is available to children from birth until they become 21 years of age.

Increase the EPSDT participant ratio.



Based on federal fiscal year in which report was submitted to CMS.

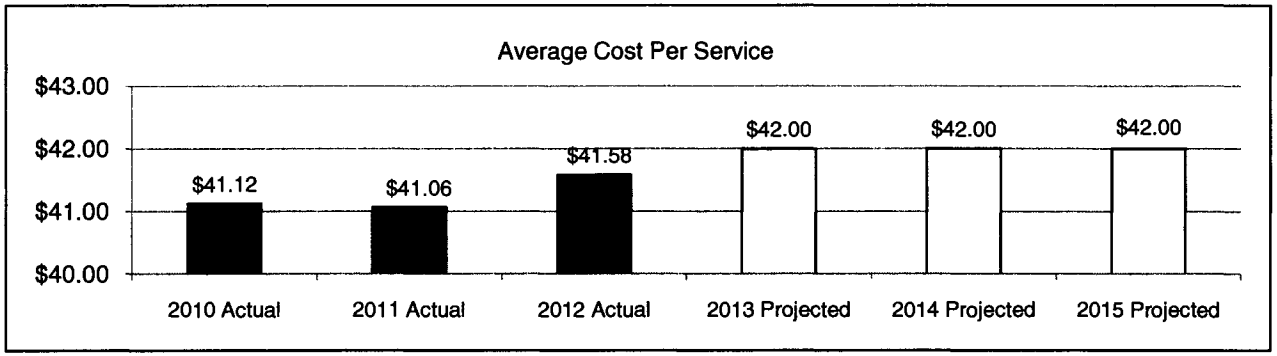
Increase the number of MO HealthNet users of EPSDT preventive dental services.



Note: Data includes both fee-for-service and Managed Care. Based on federal fiscal year in which report was submitted to CMS.

7b. Provide an efficiency measure.

Provide adequate dental services to MO HealthNet recipients with the funds appropriated.



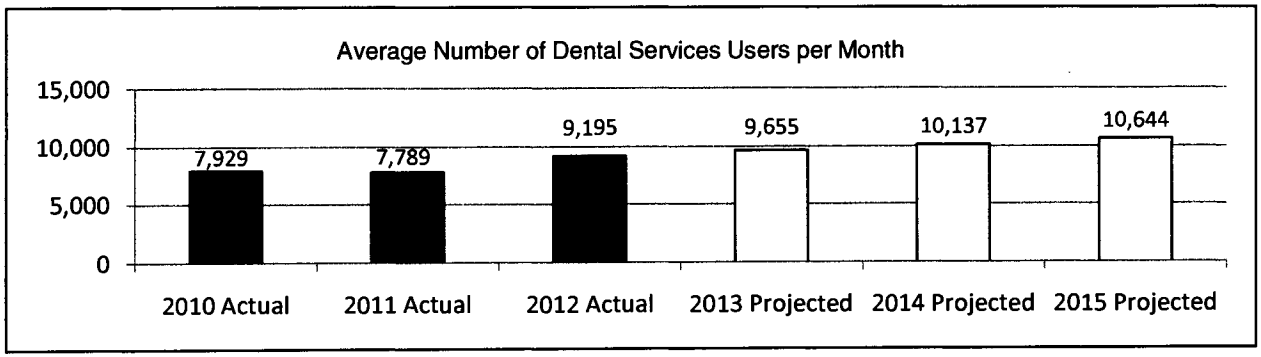
Based on federal fiscal year in which report was submitted to CMS.

7c. Provide the number of clients/individuals served, if applicable.

Participants:
Dental services are available to all MO HealthNet participants. In the regions of the state where managed care has been implemented, children have dental services available through the managed care health plans.

Effective September 1, 2005 dental services were available only to children, pregnant women, the blind, and nursing facility residents. Dental services are available to other adults if the dental care was related to trauma or a disease/medical condition. Qualified Medicare Beneficiaries (QMB) are not eligible for dental services.

Senate Bill 577 (94th General Assembly) provided medically necessary dental services for adults; however no appropriations were allocated for these services.



Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data)

7d. Provide a customer satisfaction measure, if available.

N/A

Premium Payments

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PREMIUM PAYMENTS								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	65,827,837	0.00	66,023,871	0.00	66,023,871	0.00	66,023,871	0.00
TITLE XIX-FEDERAL AND OTHER	118,566,136	0.00	112,862,413	0.00	112,862,413	0.00	112,312,176	0.00
TOTAL - PD	184,393,973	0.00	178,886,284	0.00	178,886,284	0.00	178,336,047	0.00
TOTAL	**184,393,973**	**0.00**	**178,886,284**	**0.00**	**178,886,284**	**0.00**	**178,336,047**	**0.00**
Medicare Premuim Increase - 1886017								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,478,583	0.00	1,035,668	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	2,472,915	0.00	1,790,778	0.00
TOTAL - PD	0	0.00	0	0.00	3,951,498	0.00	2,826,446	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**3,951,498**	**0.00**	**2,826,446**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	550,237	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	550,237	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**550,237**	**0.00**
GRAND TOTAL	**$184,393,973**	**0.00**	**$178,886,284**	**0.00**	**$182,837,782**	**0.00**	**$181,712,730**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Premium Payments

Budget Unit: 90547C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	66,023,871	112,862,413		178,886,284
TRF				
Total	66,023,871	112,862,413		178,886,284
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	66,023,871	112,312,176		178,336,047
TRF				
Total	66,023,871	112,312,176		178,336,047
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

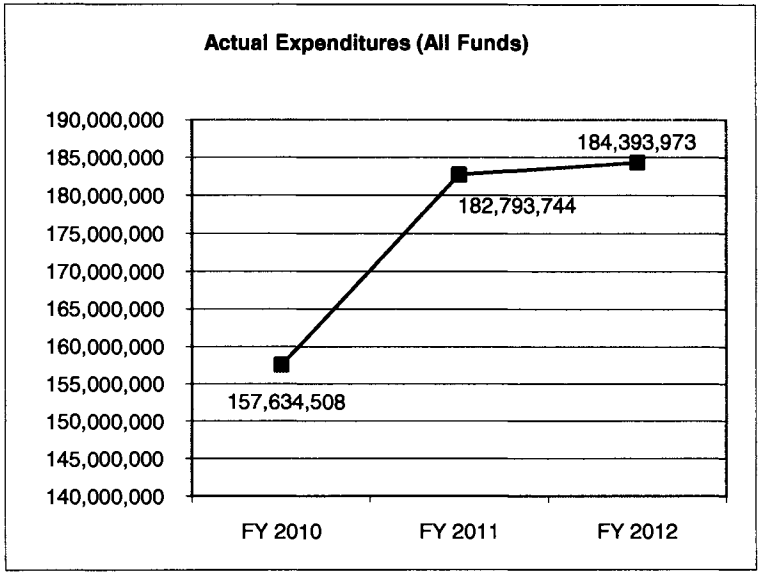
This core request is for the ongoing funding for premium payments for health insurance through the following MO HealthNet programs: Medicare Buy-In and the Health Insurance Premium Payment (HIPP) program.

3. PROGRAM LISTING (list programs included in this core funding)

Premium Payments Program:
- Medicare Part A and Part B Buy-In
- Health Insurance Premium Payment (HIPP) Program

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	157,634,508	190,403,958	206,474,371	178,886,284
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	157,634,508	190,403,958	206,474,371	N/A
Actual Expenditures (All Funds)	157,634,508	182,793,744	184,393,973	N/A
Unexpended (All Funds)	0	7,610,214	22,080,398	N/A
Unexpended, by Fund:				
General Revenue	0	1,369,622	7,500,058	N/A
Federal	0	6,240,592	14,580,340	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: Expenditures of $7,214,660 were paid from the Supplemental Pool and $3,017,827 from HB21 ARRA funding.

(2) FY 2011: Expenditures of $5,043,211 were paid from HB 16 ARRA funding.

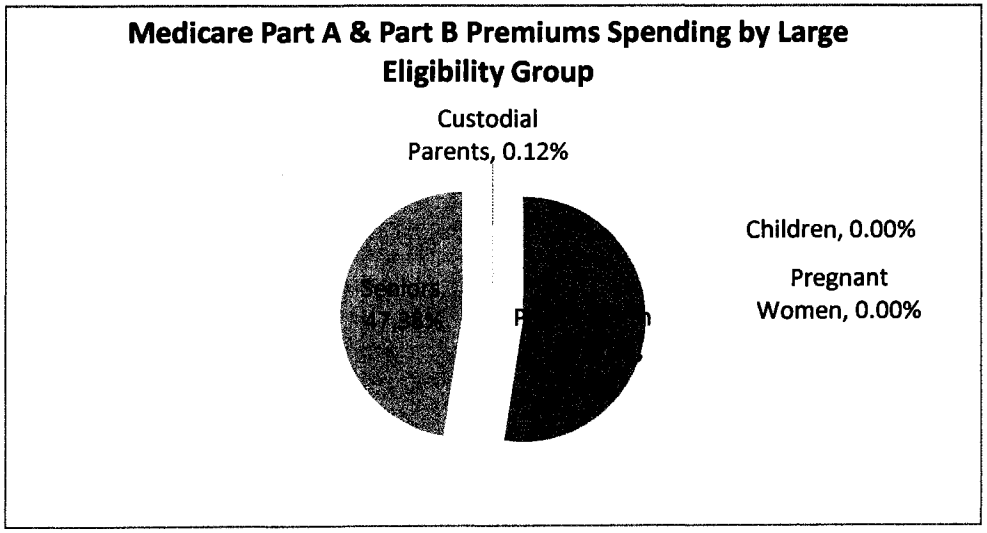
(3) FY 2012: Lapse result of premium rate decrease.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)

	*Premium Payments PMPM**	*Acute Care PMPM*	*Total PMPM*	*Premium Payments Percentage of Acute*	*Premium Payments Percentage of Total*
PTD	$46.71	$990.49	$1,691.92	4.72%	2.76%
Seniors	$91.09	$324.66	$1,311.01	28.06%	6.95%
Custodial Parents	$0.22	$439.91	$455.95	0.05%	0.05%
Children*	$0.00	$247.84	$280.12	0.00%	0.00%
Pregnant Women	$0.00	$546.42	$555.64	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data).
** CHIP eligibles not included*



Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data).

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for premium payments, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the premium payments PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for the Premium Payments core. It provides a snapshot of what eligibility groups participate, as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

STATE
PREMIUM PAYMENTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	66,023,871	112,862,413	0	178,886,284	
	Total	**0.00**	**66,023,871**	**112,862,413**	**0**	**178,886,284**	
DEPARTMENT CORE REQUEST							
	PD	0.00	66,023,871	112,862,413	0	178,886,284	
	Total	**0.00**	**66,023,871**	**112,862,413**	**0**	**178,886,284**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS							
Core Reduction 2299 8201	PD	0.00	0	(550,237)	0	(550,237)	
NET GOVERNOR CHANGES		**0.00**	**0**	**(550,237)**	**0**	**(550,237)**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	66,023,871	112,312,176	0	178,336,047	
	Total	**0.00**	**66,023,871**	**112,312,176**	**0**	**178,336,047**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PREMIUM PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	184,393,973	0.00	178,886,284	0.00	178,886,284	0.00	178,336,047	0.00
TOTAL - PD	**184,393,973**	**0.00**	**178,886,284**	**0.00**	**178,886,284**	**0.00**	**178,336,047**	**0.00**
GRAND TOTAL	**$184,393,973**	**0.00**	**$178,886,284**	**0.00**	**$178,886,284**	**0.00**	**$178,336,047**	**0.00**
GENERAL REVENUE	**$65,827,837**	**0.00**	**$66,023,871**	**0.00**	**$66,023,871**	**0.00**	**$66,023,871**	**0.00**
FEDERAL FUNDS	**$118,566,136**	**0.00**	**$112,862,413**	**0.00**	**$112,862,413**	**0.00**	**$112,312,176**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Premium Payments
Program is found in the following core budget(s): Premium Payments

1. What does this program do?

This program pays for health insurance premiums for eligible participants. Payments include premiums for Medicare Part A, Medicare Part B and group health insurance premiums provided under the Health Insurance Premium Payment (HIPP) program. Payment of these premiums transfers medical costs from MO HealthNet to Medicare and other payers.

Medicare Buy-In

The Medicare Buy-in Program allows states to enroll certain groups of eligible individuals in the Medicare Part A and Part B program and pay their premiums. The purpose of buy-in is to permit the state, as part of its total assistance plan, to provide Medicare protection to certain groups of eligible individuals. It transfers medical costs from the Title XIX Medicaid program to the Medicare program - Title XVIII. This process allows the state to realize cost savings through substitution of Medicare liability for the majority of the medical costs before Medicaid reimburses for the services. There are two types of buy-in agreements - "1634 agreements" and "209b". States with "1634 agreements" have the same Medicaid eligibility standards as the Supplemental Security Income (SSI) program. States with more restrictive eligibility standards for Medicaid are "209b" states. The "209b" states make their own buy-in determinations. Missouri is a "209b" state.

The buy-in for Part A began in FY 1990 (September 1989). The Part B buy-in has been a MO HealthNet service since January 1968.

Health Insurance Premium Payment

The Health Insurance Premium Payment (HIPP) program is a program that pays for the cost of health insurance premiums, coinsurance, and deductibles. The program pays for health insurance for MO HealthNet eligible's when it is "cost effective". "Cost effective" means that it costs less to buy health insurance to cover medical care than to pay for the same services with MO HealthNet funds. Cost effectiveness is determined by comparing the cost of the medical coverage (includes premium payments, coinsurance, and deductibles) with the average cost of each MO HealthNet eligible person in the household. The average cost of each MO HealthNet participant is based on the previous year's MO HealthNet expenditures with like demographic data: age; sex; geographic location (county); type of assistance (MO HealthNet for Families - MAF, Old Age Assistance - OAA, and disabled); and the types of services covered by the group insurance. The HIPP program has been a MO HealthNet program since September 1992.

Provisions of Omnibus Budget Reconciliation Act of 1990 (OBRA 90) require states to purchase group health insurance (such as an employer sponsored insurance) for a MO HealthNet participant (who is eligible to enroll for the coverage) when it is more cost-effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo 208.153; Federal law: Social Security Act Section 1905(p)(1), 1902(a)(10) and 1906; Federal Regulation: 42 CFR 406.26 and 431.625

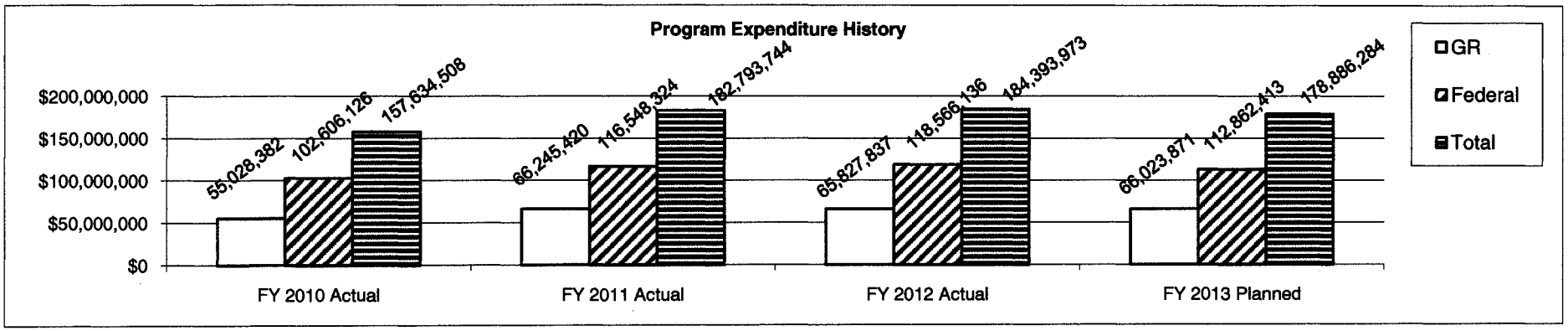
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the annual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

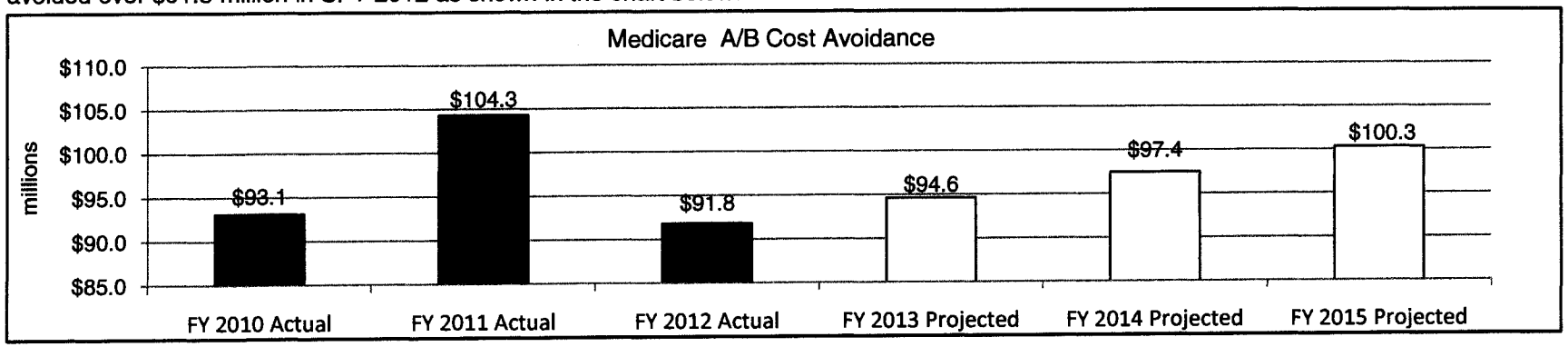


6. What are the sources of the "Other " funds?

N/A

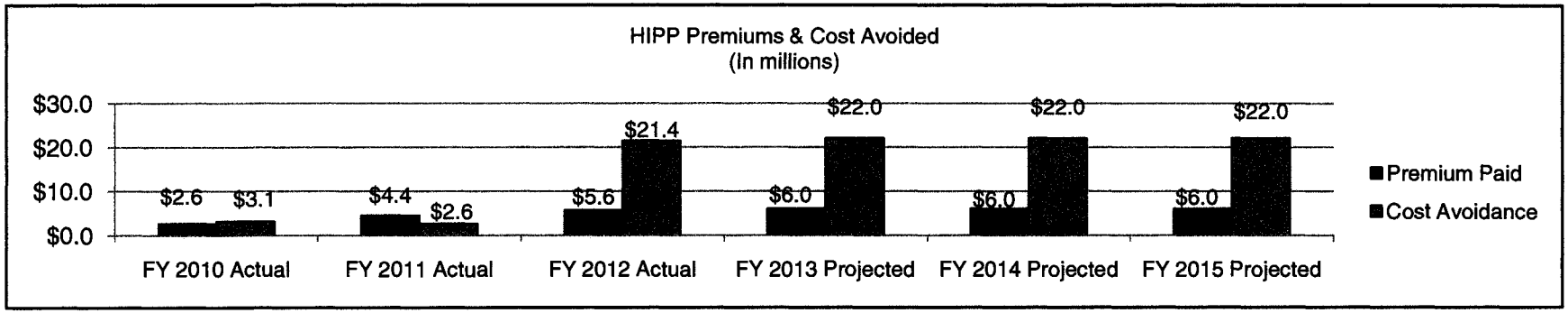
7a. Provide an effectiveness measure.

Increase cost avoidance by paying Medicare premiums for dual eligibles. By paying Medicare premiums for dual eligibles, the MO HealthNet avoided over $91.8 million in SFY 2012 as shown in the chart below.

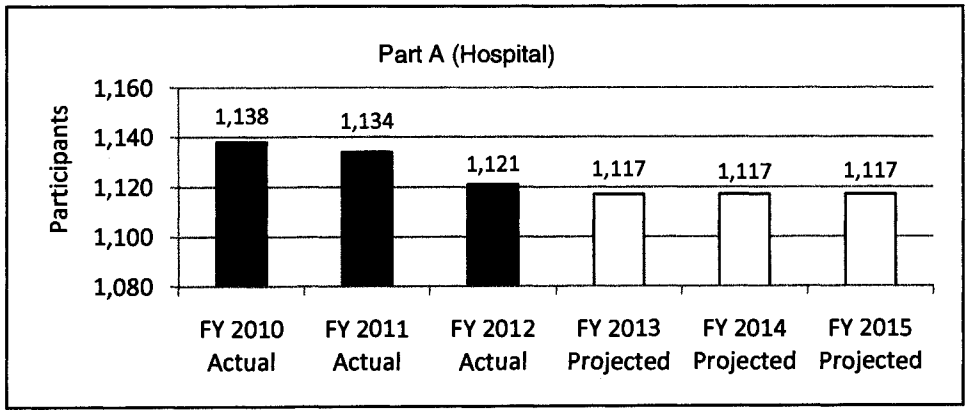


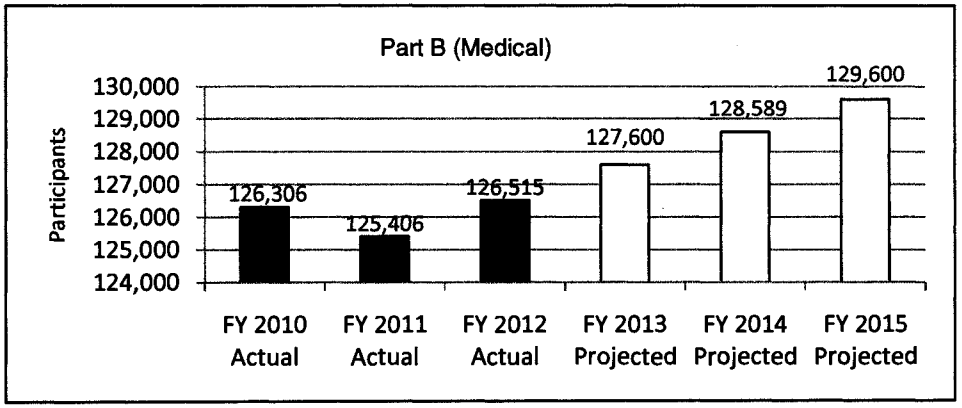
7b. Provide an efficiency measure.

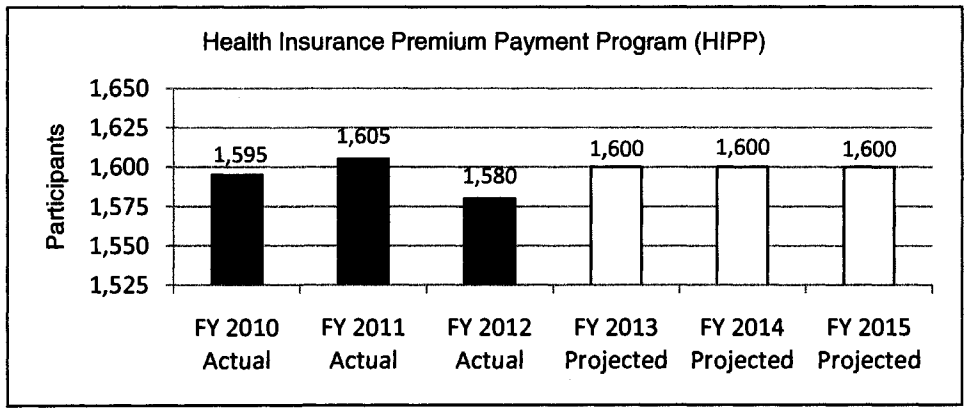
Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for MO HealthNet eligibles when it is cost effective to do so. In FY12, the MO HealthNet Division paid $5.6 million for health insurance premiums, coinsurance and deductibles and avoided $21.4 million in costs. NOTE: The cost avoidance reporting for the HIPP Program was corrected at the beginning of FY12 resulting in a significant increase in reported amounts.



7c. Provide the number of clients/individuals served, if applicable.







Participants:
Part A (Hospital) premium payments can be made for: Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals.
Part B (Medical) premium payments can be made for: Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries.
HIPP: Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 11

Department: Social Services | **Budget Unit: 90547C**
Division: MO HealthNet
DI Name: Medicare Premium Increases | **DI#: 1886017**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	1,478,583	2,472,915		3,951,498
TRF				
Total	1,478,583	2,472,915		3,951,498
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	1,035,668	1,790,778		2,826,446
TRF				
Total	1,035,668	1,790,778	0	2,826,446
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPISIS: Funding is requested for anticipated Medicare Part A and Part B increases.

Federal law mandates that the Medicare Part A and Part B premiums cover a certain percentage of the cost of the Medicare program. Medicare Part A and Part B premiums are adjusted each January. In FY14, Part A premiums are estimated to be $465 which consists of FY13 projected of $458 plus an $7.00 increase. In FY14, Part B premiums are estimated to be $114.10 (FY13 projection of $109.10 plus a projected $5.00 increase for FY 14).

The Federal Authority is Social Security Act Section 1905(p)(1), 1902(a)(10), and 1906 and Federal Regulations 42 CFR 406.26 and 431.625. The State Authority is RSMo 208.153.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This request is for six months of funding for the calendar year 2013 part A premium increases and six months of funding for the expected premium increases for calendar year 2014.

Projected participants are based on historical data. The projected premium increases are based on the average increases in premiums for the last few years as well as other information sources. The federal matching rate used is 61.37% for three months and 61.67% for nine months. States are only required to pay the federal share for QIs (Qualified Individual). A QI is an individual with income between 120% and 135% of the federal poverty level with assets of $6,000 per individual and $9,000 per couple indexed each year according to Consumer Price Index.

Department Request:	Part A	Part B	QI
Eligibles per month (FY14)	1,117	125,450	3,139
Premium Increase (1/13)	$7.00	$9.20	$9.20
Premium Increase (1/14)	$9.00	$7.00	$7.00
Calendar Year 2013 Increase:			
Average eligibles per month	1,117	125,450	3,139
Premium increase for 2013	$7.00	$9.20	$9.20
Number of months to increase	6	6	6
Projected increase 7/13 - 12/13	46,914	0	0 *
Calendar Year 2014 Increase:			
Average eligibles per month	1,117	125,450	3,139
Premium increase for 2014	$7.00	$5.00	$5.00
Number of months to increase	6	6	6
Projected increase 1/14 - 6/14.	46,914	3,763,500	94,170
Total	$93,828	$3,763,500	$94,170

Department Request

	Total	GR	Federal	
Part A Request	93,828	36,033	57,795	
Part B Request	3,763,500	1,442,550	2,320,950	
Part B QI	94,170		94,170	QI Federal only
Total	**$3,951,498**	**$1,478,583**	**$2,472,915**	

***Governor Recommendation**

	Total	GR	Federal	
Part A Request	33,640	12,752	20,888	
Part B Request	2,698,636	1,022,916	1,675,720	
Part B QI	94,170		94,170	QI Federal only
Total	**$2,826,446**	**$1,035,668**	**$1,790,778**	

*FY13 Part B and QI funding already included in appropriation

***The Governors recommendation is reduced by a projected GR lapse and the corresponding federal poriton of the FMAP split.**

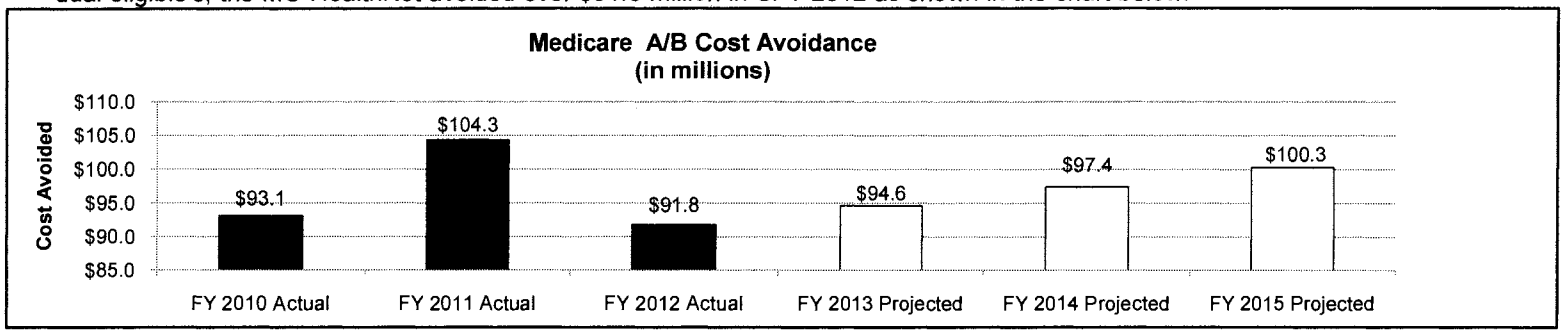
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	1,478,583		2,472,915		0		3,951,498		
Total PSD	**1,478,583**		**2,472,915**		**0**		**3,951,498**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**1,478,583**	**0.0**	**2,472,915**	**0.0**	**0**	**0.0**	**3,951,498**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	1,035,668		1,790,778				2,826,446		
Total PSD	**1,035,668**		**1,790,778**		**0**		**2,826,446**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**1,035,668**	**0.0**	**1,790,778**	**0.0**	**0**	**0.0**	**2,826,446**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

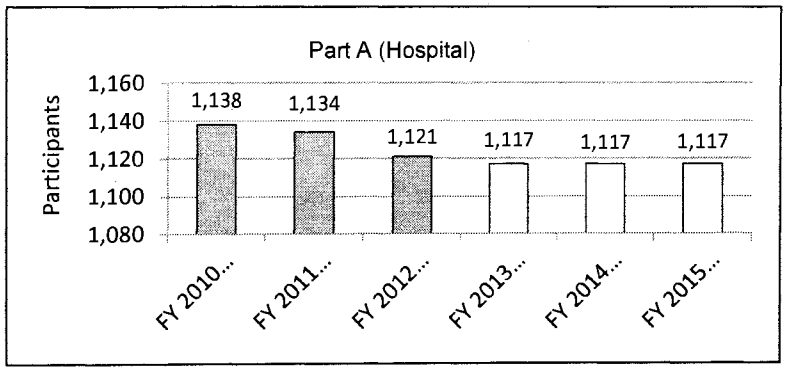
Effectiveness Measure: Increase cost avoidance by paying Medicare premiums for dual eligible's. By paying Medicare premiums for dual eligible's, the MO HealthNet avoided over $91.8 million in SFY 2012 as shown in the chart below.

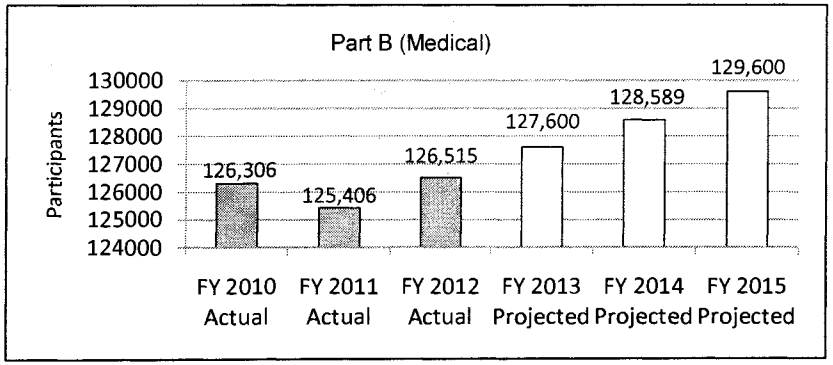


6b. Provide an efficiency measure.

Efficiency Measure: Increase cost avoidance by paying for health insurance premiums, coinsurance, and deductibles for Mo HealthNet eligible's when it is cost effective to do so. In FY12, the MO HealthNet Division paid $5.6 million for health insurance premiums, coinsurance and deductibles and avoided $21.4 million in costs.

6c. Provide the number of clients/individuals served, if applicable.





Participants: Part A (Hospital) premium payments can be made for: Qualified Medicare Beneficiaries (QMBs) and Qualified Disabled Working Individuals. Part B (Medical) premium payments can be made for: Individuals meeting certain income standards, QMBs, and Specified Low-Income Medicare Beneficiaries. HIPP: Provisions of OBRA 90 require states to purchase group health insurance for a MO HealthNet participant when it is more cost effective to buy health insurance to cover medical care than to pay for an equivalent set of services with MO HealthNet funds.

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PREMIUM PAYMENTS								
Medicare Premuim Increase - 1886017								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	3,951,498	0.00	2,826,446	0.00
TOTAL - PD	0	0.00	0	0.00	3,951,498	0.00	2,826,446	0.00
GRAND TOTAL	$0	0.00	$0	0.00	$3,951,498	0.00	$2,826,446	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$1,478,583	0.00	$1,035,668	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$2,472,915	0.00	$1,790,778	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

Nursing Facilities

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITIES								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	131,447,831	0.00	140,444,904	0.00	140,444,904	0.00	137,907,425	0.00
TITLE XIX-FEDERAL AND OTHER	350,849,295	0.00	342,117,357	0.00	342,117,357	0.00	337,866,877	0.00
UNCOMPENSATED CARE FUND	58,516,477	0.00	58,516,478	0.00	58,516,478	0.00	58,516,478	0.00
THIRD PARTY LIABILITY COLLECT	2,592,981	0.00	2,592,981	0.00	2,592,981	0.00	2,592,981	0.00
NURSING FACILITY FED REIM ALLW	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00	9,134,756	0.00
HEALTHY FAMILIES TRUST	17,973	0.00	17,973	0.00	17,973	0.00	17,973	0.00
TOTAL - PD	552,559,313	0.00	552,824,449	0.00	552,824,449	0.00	546,036,490	0.00
TOTAL	**552,559,313**	**0.00**	**552,824,449**	**0.00**	**552,824,449**	**0.00**	**546,036,490**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	134,022	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	134,022	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**134,022**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(74,280)	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	(969)	0.00
NURSING FACILITY FED REIM ALLW	0	0.00	0	0.00	0	0.00	(53,942)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(129,191)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(129,191)**	**0.00**
Nursing Facility Rate Increase - 1886034								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	19,378,254	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITIES								
Nursing Facility Rate Increase - 1886034								
PROGRAM-SPECIFIC								
MO SENIOR SERVICES PROTECTION	0	0.00	0	0.00	0	0.00	11,945,199	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	31,323,453	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**31,323,453**	**0.00**
GRAND TOTAL	**$552,559,313**	**0.00**	**$552,824,449**	**0.00**	**$552,824,449**	**0.00**	**$577,364,774**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facilities

Budget Unit: 90549C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	140,444,904	342,117,357	70,262,188	552,824,449
TRF				
Total	140,444,904	342,117,357	70,262,188	552,824,449
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Healthy Families Trust Fund (HFTF) (0625)
Third Party Liability Collections Fund (TPL) (0120)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	137,907,425	337,866,877	70,262,188	546,036,490
TRF				
Total	137,907,425	337,866,877	70,262,188	546,036,490
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Healthy Families Trust Fund (HFTF) (0625)
Third Party Liability Collections Fund (TPL) (0120)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)

2. CORE DESCRIPTION

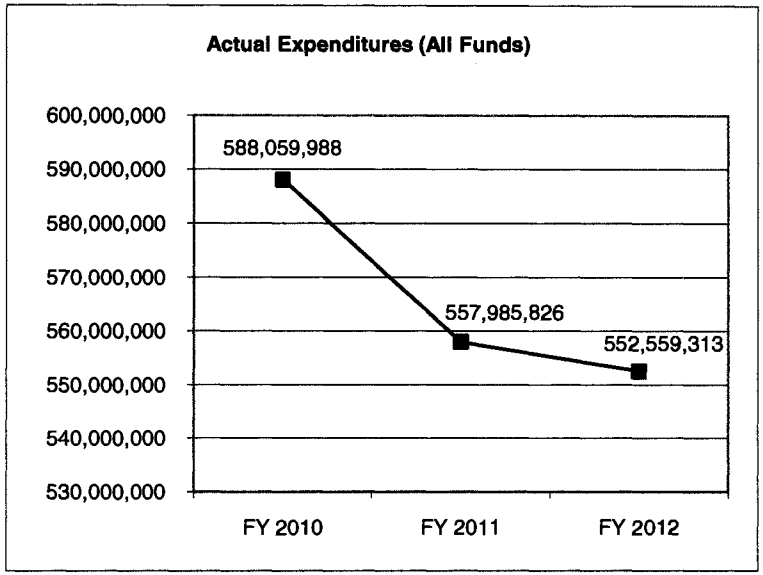
This core is for ongoing funding for payments for long-term nursing care for MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	624,721,523	584,400,260	558,468,676	552,824,449
Less Reverted (All Funds)	(5,375,638)	0	(2,151,015)	N/A
Budget Authority (All Funds)	619,345,885	584,400,260	556,317,661	N/A
Actual Expenditures (All Funds)	588,059,988	557,985,826	552,559,313	N/A
Unexpended (All Funds)	31,285,897	26,414,434	3,758,348	N/A
Unexpended, by Fund:				
General Revenue	803,309	11,984,863	0	N/A
Federal	29,502,098	14,284,954	3,758,347	N/A
Other	980,490	144,617	1	N/A
	(1)		(2)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

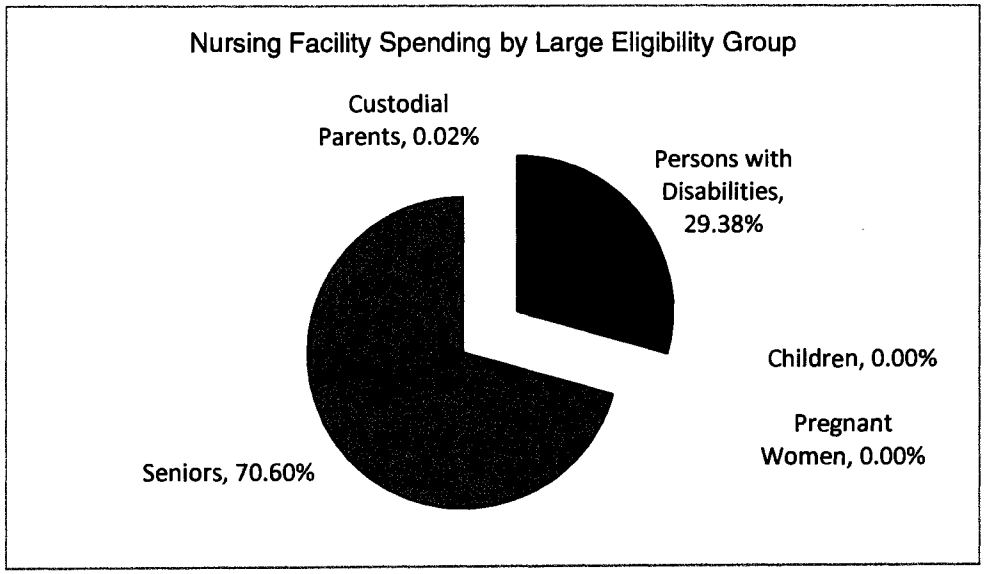
(1) FY 2010: Expenditures of $8,000,000 paid from Nursing Facility FRA.
Expenditures went down due to repricing of Medicare/Medicaid crossover claims for Medicare Part A and Part C coinsurance. The coinsurance reimbursement was limited to the fee-for-service amount that would have been paid by MHD for those same service dates.

(2) FY2012: Federal Reserve of $3,727,681.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	*Nursing Facility PMPM**	*Acute Care PMPM*	*Total PMPM*	*Nursing Facility Percentage of Acute*	*Nursing Facility Percentage of Total*
PTD	$136.13	$990.49	$1,691.92	13.74%	8.05%
Seniors	$406.77	$324.66	$1,311.01	125.29%	31.03%
Custodial Parents	$0.21	$439.91	$455.95	0.05%	0.05%
Children*	$0.00	$247.84	$280.12	0.00%	0.00%
Pregnant Women	$0.00	$546.42	$555.64	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2012 (claims paid data). Add-on payments funded from FRA provider tax not included.
** CHIP eligibles not included*



Source: Table 23 Medical Statistics for Fiscal Year 2012 (claims paid data).

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.

STATE
NURSING FACILITIES

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	140,444,904	342,117,357	70,262,188	552,824,449	
		Total	**0.00**	**140,444,904**	**342,117,357**	**70,262,188**	**552,824,449**	
DEPARTMENT CORE REQUEST								
		PD	0.00	140,444,904	342,117,357	70,262,188	552,824,449	
		Total	**0.00**	**140,444,904**	**342,117,357**	**70,262,188**	**552,824,449**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1971 6473	PD	0.00	0	(4,116,458)	0	(4,116,458)	
Core Reduction	1971 6472	PD	0.00	(2,537,479)	0	0	(2,537,479)	
Core Reduction	2305 6473	PD	0.00	0	(134,022)	0	(134,022)	
NET GOVERNOR CHANGES			**0.00**	**(2,537,479)**	**(4,250,480)**	**0**	**(6,787,959)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	137,907,425	337,866,877	70,262,188	546,036,490	
		Total	**0.00**	**137,907,425**	**337,866,877**	**70,262,188**	**546,036,490**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITIES								
CORE								
PROGRAM DISTRIBUTIONS	552,559,313	0.00	552,824,449	0.00	552,824,449	0.00	546,036,490	0.00
TOTAL - PD	552,559,313	0.00	552,824,449	0.00	552,824,449	0.00	546,036,490	0.00
GRAND TOTAL	$552,559,313	0.00	$552,824,449	0.00	$552,824,449	0.00	$546,036,490	0.00
GENERAL REVENUE	$131,447,831	0.00	$140,444,904	0.00	$140,444,904	0.00	$137,907,425	0.00
FEDERAL FUNDS	$350,849,295	0.00	$342,117,357	0.00	$342,117,357	0.00	$337,866,877	0.00
OTHER FUNDS	$70,262,187	0.00	$70,262,188	0.00	$70,262,188	0.00	$70,262,188	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facilities
Program is found in the following core budget(s): Nursing Facilities

1. What does this program do?

This program provides long-term institutional care for MO HealthNet participants. An average of 503 nursing facilities were enrolled in the MO HealthNet program in SFY 12 with an average of 23,387 participants per month. Nursing facility care users are 2.62% of the total MO HealthNet participants. However, the nursing facility program comprises almost 13.29% of the total program dollars.

Payment is based on a per diem rate established for each nursing home by the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division. A portion of the per diem rate is paid from the Nursing Facilities budget section and a portion from the Nursing Facilities Federal Reimbursement Allowance (NFFRA) section.

The current reimbursement methodology is based on a cost component system. The components are patient care, ancillary, administration and capital. A working capital allowance, incentives and the NFFRA are also elements of the total reimbursement rate. Patient care includes medical supplies, nursing, supplies, activities, social services and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry and housekeeping. Administration includes plant operation costs and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes rental value, return, computed interest, borrowing costs and pass-through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. There are three incentives which are paid to qualified facilities to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half of the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem rate are between 60 - 80% of total per diem rate. An additional amount is allowed for facilities with high MO HealthNet utilization. The current NFFRA is also included in the total reimbursement rate since it is an allowable MO HealthNet cost.

The reimbursement system is a prospective system. When the rate is established on a particular cost report year, it will not change until the rates are rebased on another cost report year. This rate may be adjusted for global per diem rate adjustments, such as trends, which are granted to the industry as a whole and are applied to the previously established rate.

Providers are reimbursed for MO HealthNet participants based on the residents' days of care multiplied by the facility's Title XIX per diem rate less any patient surplus amount. The amount of money the MO HealthNet participant contributes to his or her nursing home care is called patient surplus. The patient surplus is based upon the participant's income and expenses. The amount of the patient surplus is calculated by a Family Support Division caseworker. The gross income (usually a Social Security benefit check) of the participant is adjusted for the personal needs allowance, an allotment of money allocated for use by the community spouse or dependent children and medical deductions (Medicare premiums or private medical insurance premiums that the participant pays for his own medical coverage). The remainder is the patient surplus. The participant and the nursing facility are notified of the amount of the patient surplus by the Family Support Division. The nursing home provider is responsible for obtaining the patient surplus from the participant.

During SFY 10, MHD implemented a change in reimbursement of Medicare/Medicaid crossover claims for Medicare Part A and Medicare Advantage/Part C inpatient skilled nursing facility benefits. Effective for dates of service beginning April 1, 2010, MHD no longer automatically reimburses the coinsurance or cost sharing amount determined by Medicare or the Medicare Advantage Plan for inpatient nursing facility services. MHD now determines the MO HealthNet reimbursement for the coinsurance or cost sharing amount of crossover claims which is limited to the fee-for-service amount that would be paid by MHD for those services.

Beginning January 1, 2010 (HB 395) the personal needs allowance must be increased by an amount equal to the product of the percentage of the Social Security benefit cost-of-living adjustment and the average amount that MO HealthNet participants are required to contribute to their cost of care, not to exceed $5.00 in any year. When the allowance reaches $50, there will be no further increases unless authorized by annual appropriation. There was a Social Security cost-of-living adjustment for 2012 which increased the personal needs allowance by the maximum amount of $5.00. The personal needs allowance has increased to $35.00 effective January 1, 2012.

Target and encourage quality patient care by utilizing a reimbursement methodology that allows for higher reimbursement of patient care costs while limiting administration and capital costs. The ceilings for the cost components related to patient care (patient care and ancillary) are 120% of the median. Various limitations are applied to administration and capital costs, some of which are identified below.

Cost Component Ceilings	
Patient Care	120% of median
Ancillary	120% of median
Administration	110% of median

Limitations on Administration & Capital Costs
* Minimum Utilization of 85% applied to Administration and Capital
* Owners' Compensation is limited
* Home office costs are limited to 7% of gross revenues less contractual allowance
* Related party transactions are limited to the cost incurred by the related party
* Fair Rental Value calculation is used to determine the capital cost component which limits excessive real estate costs.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153, 208.159; 208.201 Federal law: Social Security Act Section 1905(a)(4); Federal regulations: 42CFR 440.40 and 440.210

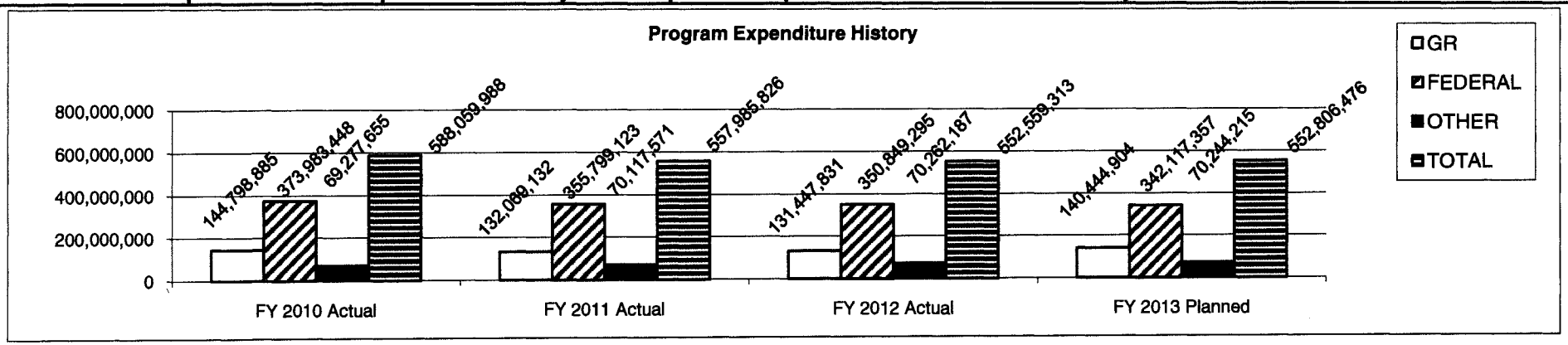
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

Yes, for people over age 21.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



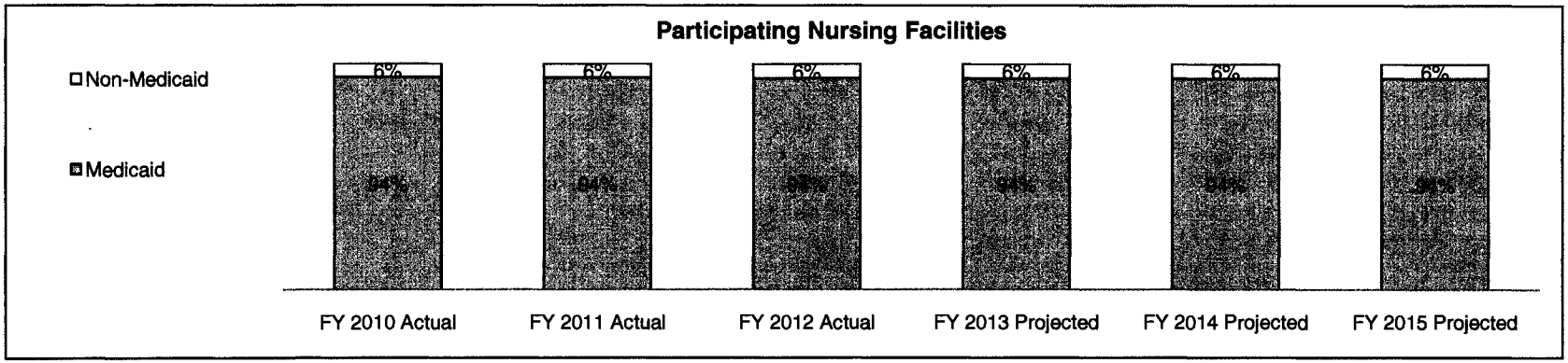
FY 2013 is net of reserves. Reserves: $17,973 Other.

6. What are the sources of the "Other " funds?

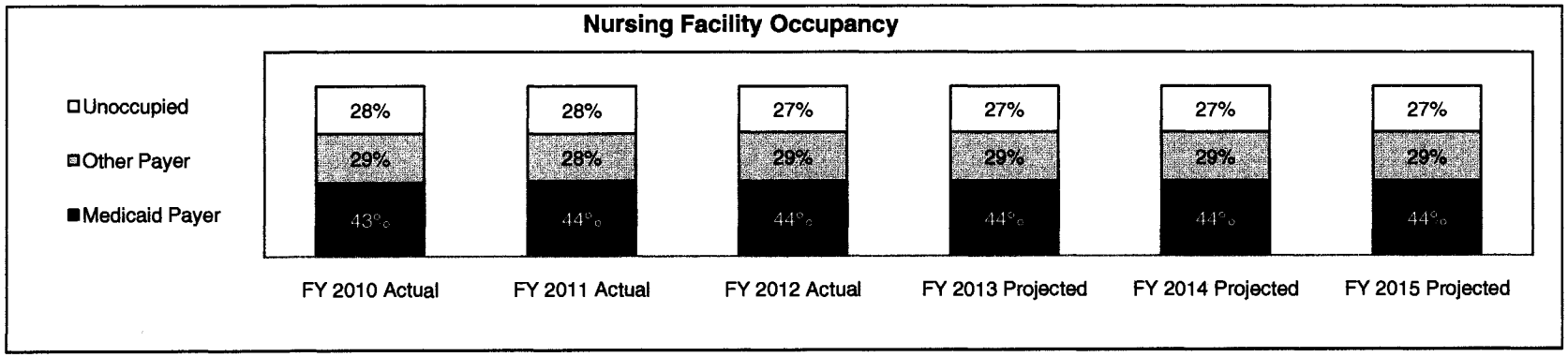
Uncompensated Care Fund (0108), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625) and Nursing Facilities Federal Reimbursement Allowance Fund (0196).

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.

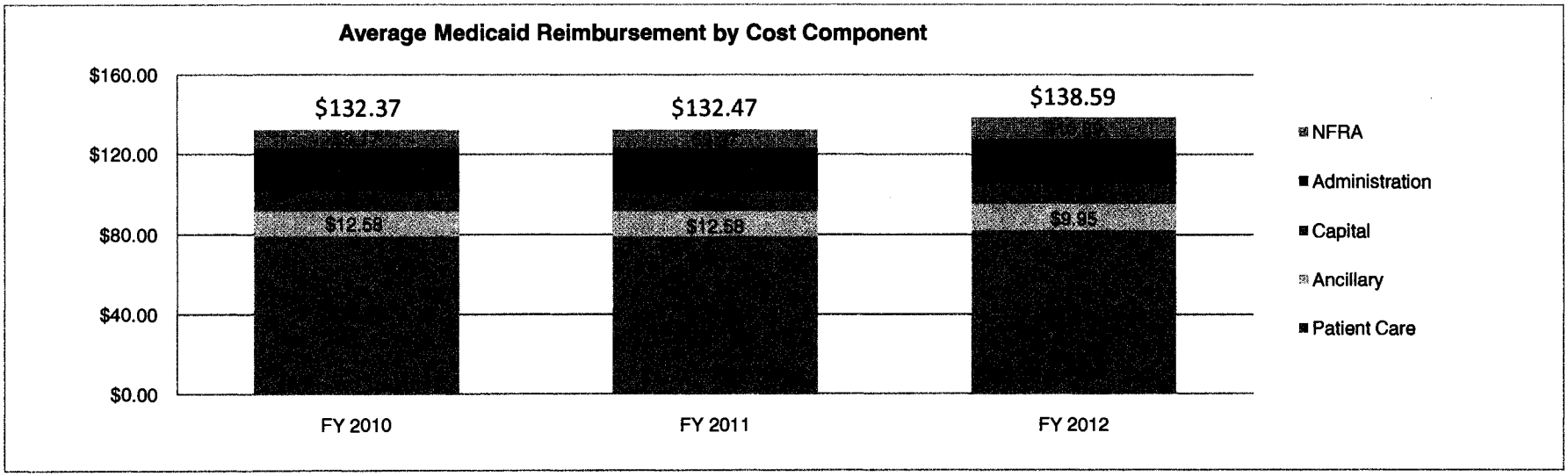


Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 26% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.

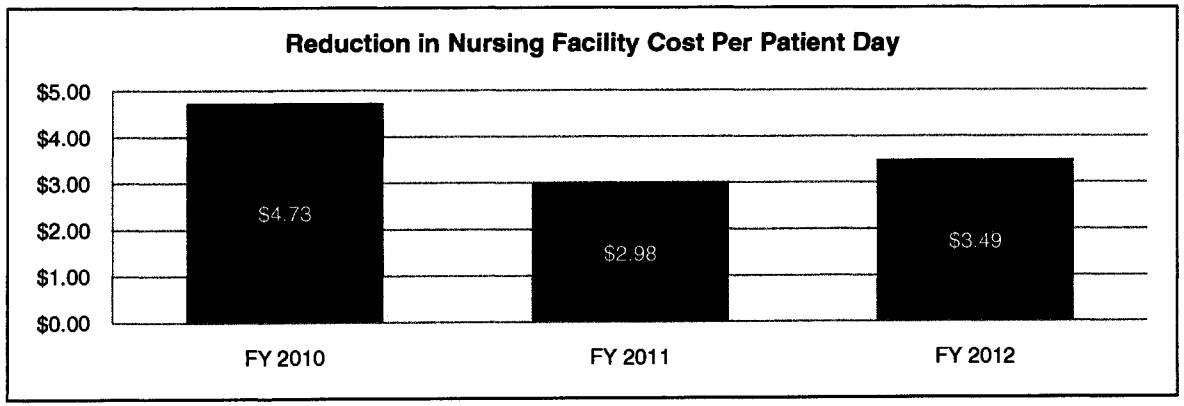


7b. Provide an efficiency measure.

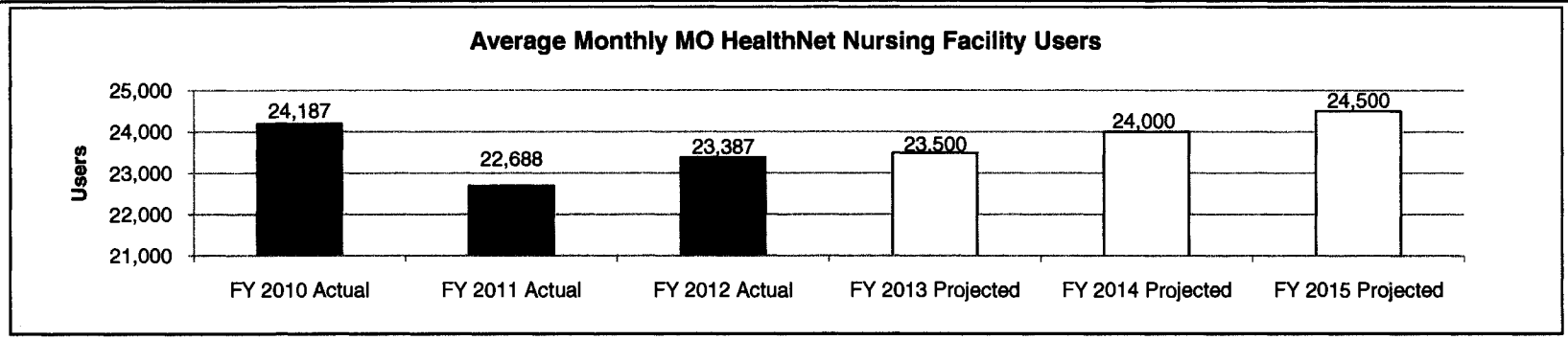
Target and encourage quality patient care through the nursing facility reimbursement methodology. In the past three state fiscal years, more than 50% of the average Medicaid reimbursement rate related to patient care.

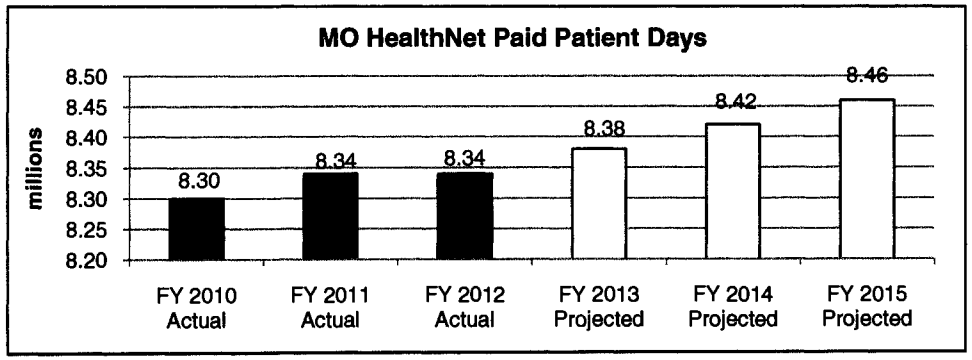


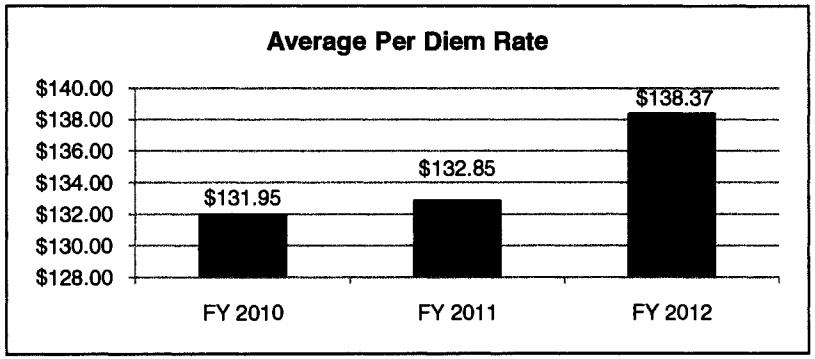
Ensure nursing facility costs included in determining MO HealthNet reimbursement are allowable by performing audits of the provider's cost reports. During the past three state fiscal years, an average of over $3.73 of nursing facility costs per patient day were disallowed as a result of MHD audits.



7c. Provide the number of clients/individuals served, if applicable.







7d. Provide a customer satisfaction measure, if available.

N/A

Home Health

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOME HEALTH								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	38,500	0.00	0	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	115,500	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	154,000	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	2,455,898	0.00	2,649,210	0.00	2,649,210	0.00	2,303,861	0.00
TITLE XIX-FEDERAL AND OTHER	4,519,849	0.00	4,560,981	0.00	4,560,981	0.00	3,998,892	0.00
HEALTH INITIATIVES	142,975	0.00	159,305	0.00	159,305	0.00	159,305	0.00
TOTAL - PD	7,118,722	0.00	7,369,496	0.00	7,369,496	0.00	6,462,058	0.00
TOTAL	**7,272,722**	**0.00**	**7,369,496**	**0.00**	**7,369,496**	**0.00**	**6,462,058**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,842	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,842	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,842**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	10,818	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	17,550	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	28,368	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**28,368**	**0.00**
GRAND TOTAL	**$7,272,722**	**0.00**	**$7,369,496**	**0.00**	**$7,369,496**	**0.00**	**$6,492,268**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Home Health

Budget Unit: 90564C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	2,649,210	4,560,981	159,305	7,369,496	PSD	2,303,861	3,998,892	159,305	6,462,058
TRF					TRF				
Total	**2,649,210**	**4,560,981**	**159,305**	**7,369,496**	Total	**2,303,861**	**3,998,892**	**159,305**	**6,462,058**
FTE				**0.00**	FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Health Initiatives Fund (HIF) (0275)

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds Health Initiatives Fund (HIF) (0275)

2. CORE DESCRIPTION

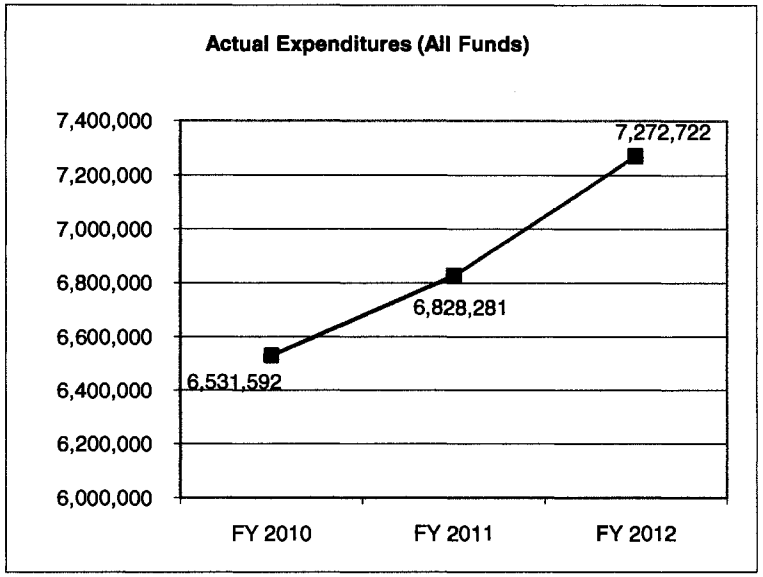
This core request is for on-going funding for payments for services provided through the Home Health program for the fee-for-service MO HealthNet population. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Home Health services available through the MO HealthNet Managed Care health plans.

3. PROGRAM LISTING (list programs included in this core funding)

Home Health Services

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	7,126,576	7,083,897	7,369,496	7,369,496
Less Reverted (All Funds)	(268,872)	(4,779)	(4,779)	N/A
Budget Authority (All Funds)	12,006,222	6,857,704	7,364,717	N/A
Actual Expenditures (All Funds)	6,531,592	6,828,281	7,272,722	N/A
Unexpended (All Funds)	5,474,630	29,423	91,995	N/A
Unexpended, by Fund:				
General Revenue	0	0	32,181	N/A
Federal	326,112	250,837	43,484	N/A
Other	0	0	16,330	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: Expenditures of $81,493 were paid from the Supplemental Pool.

(2) FY 2011: Expenditures of $115,201 were paid from the Supplemental Pool.

STATE
HOME HEALTH

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	2,649,210	4,560,981	159,305	7,369,496	
		Total	**0.00**	**2,649,210**	**4,560,981**	**159,305**	**7,369,496**	
DEPARTMENT CORE REQUEST								
		PD	0.00	2,649,210	4,560,981	159,305	7,369,496	
		Total	**0.00**	**2,649,210**	**4,560,981**	**159,305**	**7,369,496**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1970 1798	PD	0.00	0	(560,247)	0	(560,247)	
Core Reduction	1970 1797	PD	0.00	(345,349)	0	0	(345,349)	
Core Reduction	2303 1798	PD	0.00	0	(1,842)	0	(1,842)	
NET GOVERNOR CHANGES			**0.00**	**(345,349)**	**(562,089)**	**0**	**(907,438)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	2,303,861	3,998,892	159,305	6,462,058	
		Total	**0.00**	**2,303,861**	**3,998,892**	**159,305**	**6,462,058**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOME HEALTH								
CORE								
PROFESSIONAL SERVICES	154,000	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	**154,000**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	7,118,722	0.00	7,369,496	0.00	7,369,496	0.00	6,462,058	0.00
TOTAL - PD	**7,118,722**	**0.00**	**7,369,496**	**0.00**	**7,369,496**	**0.00**	**6,462,058**	**0.00**
GRAND TOTAL	**$7,272,722**	**0.00**	**$7,369,496**	**0.00**	**$7,369,496**	**0.00**	**$6,462,058**	**0.00**
GENERAL REVENUE	**$2,494,398**	**0.00**	**$2,649,210**	**0.00**	**$2,649,210**	**0.00**	**$2,303,861**	**0.00**
FEDERAL FUNDS	**$4,635,349**	**0.00**	**$4,560,981**	**0.00**	**$4,560,981**	**0.00**	**$3,998,892**	**0.00**
OTHER FUNDS	**$142,975**	**0.00**	**$159,305**	**0.00**	**$159,305**	**0.00**	**$159,305**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Home Health
Program is found in the following core budget(s): Home Health

1. What does this program do?

Home Health services provide primarily medically oriented treatment or supervision on an intermittent basis to individuals with an acute illness which can be therapeutically managed at home. Prior to October 1, 2010, individuals were required to be homebound to receive Home Health Program services. The homebound requirement was removed effective October 1, 2010. Home Health care follows a written plan of treatment established and reviewed every 60 days by a physician. Services included in the Home Health benefit are skilled nursing, home health aide, physical, occupational and speech therapies, and supplies. Participants who are eligible under aid categories for children, pregnant women, or blind individuals are eligible for physical, occupational and speech therapy provided through Home Health. Therapy must be reasonable and necessary for restoration to an optimal level of functioning following an injury or illness.

Home Health services are reimbursed on a per visit basis. A visit is a personal contact for a period of time not to exceed three hours in a client's home. Payment for the visit is the lower of the provider's actual billed charge or the state MO HealthNet agency established capped amount. The current MO HealthNet cap is $64.15. Home Health is a mandatory service added to the MO HealthNet program in July 1972. The program serves participants throughout the state.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(24), 1905(a)(7) and 1915(c);
Federal Regulations: 42 CFR 440.170(f), 440.210, 440.130 and 440.180 and 460. Social Security Act Sections: 1894, 1905(a) and 1934

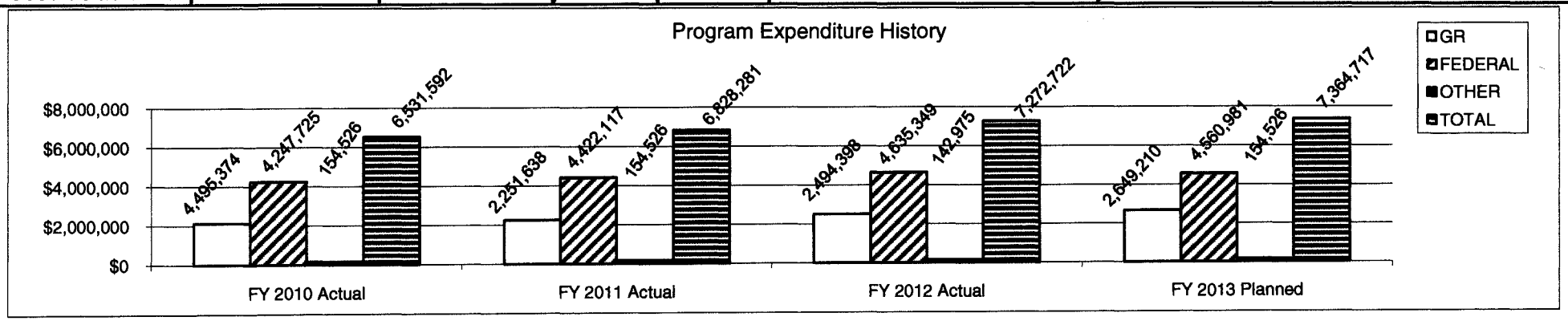
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

Home Health is a mandatory Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



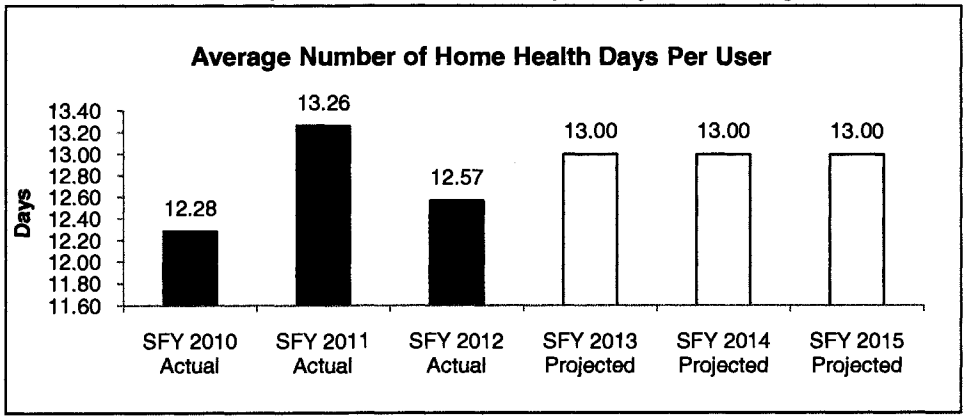
FY 2013 planned is net of reverted. Reverted: $4,779 Other Funds

6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275).

7a. Provide an effectiveness measure.

Home health plans are reviewed every 60 days. Providing health care at home is less costly than providing care in the hospital.



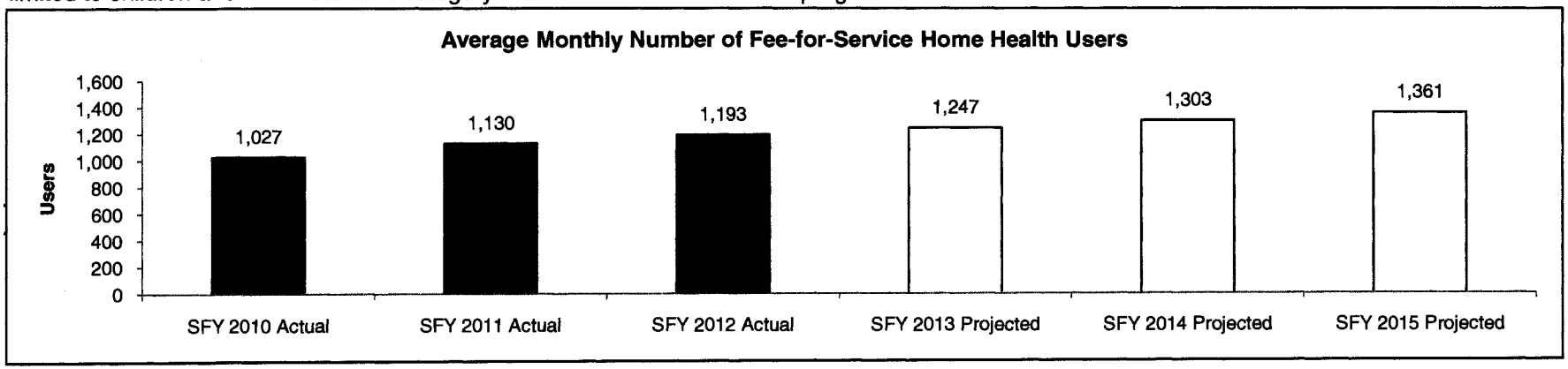
User Count by Number of Home Health Days					
SFY	0-60	61-90	91-120	121+	Total
2010 Actual	6,012	42	13	44	6,111
2011 Actual	6,150	73	31	42	6,296
2012 Actual	6,610	58	22	27	6,717
2013 Projected	6,907	61	23	28	7,019
2014 Projected	7,218	63	24	29	7,335
2015 Projected	7,543	66	25	31	7,665

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Home Health skilled nurse visits and home health aide services are available to all MO HealthNet population. Home health therapy services are limited to children and individuals in a category of assistance for the blind or pregnant.



7d. Provide a customer satisfaction measure, if available.

N/A

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PACE								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	1,552,734	0.00	2,620,356	0.00	2,544,136	0.00	2,544,136	0.00
TITLE XIX-FEDERAL AND OTHER	3,520,959	0.00	4,255,367	0.00	4,131,587	0.00	4,129,886	0.00
TOTAL - PD	5,073,693	0.00	6,875,723	0.00	6,675,723	0.00	6,674,022	0.00
TOTAL	**5,073,693**	**0.00**	**6,875,723**	**0.00**	**6,675,723**	**0.00**	**6,674,022**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,701	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,701	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,701**	**0.00**
GRAND TOTAL	**$5,073,693**	**0.00**	**$6,875,723**	**0.00**	**$6,675,723**	**0.00**	**$6,675,723**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Programs for All-Inclusive Care for the Elderly (PACE)

Budget Unit: 90568C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request			
	GR	Federal	Other	Total
PS				
EE				
PSD	2,544,136	4,131,587		6,675,723
TRF				
Total	2,544,136	4,131,587		6,675,723
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

	FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE				
PSD	2,544,136	4,129,886		6,674,022
TRF				
Total	2,544,136	4,129,886		6,674,022
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

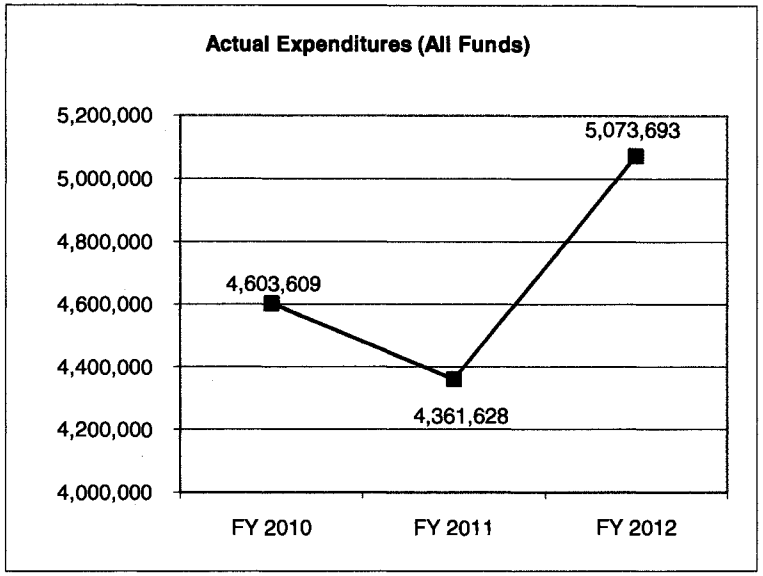
This core request is for on-going funding for payments for services provided through the PACE program. This program is designed to help a MO HealthNet participant remain in their home instead of seeking institutional care.

3. PROGRAM LISTING (list programs included in this core funding)

Programs for All-Inclusive Care for the Elderly (PACE)

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	6,324,826	4,613,575	5,073,693	6,875,723
Less Reverted (All Funds)	(594,677)	0	0	N/A
Budget Authority (All Funds)	5,730,149	4,613,575	5,073,693	N/A
Actual Expenditures (All Funds)	4,603,609	4,361,628	5,073,693	N/A
Unexpended (All Funds)	1,126,540	251,947	0	N/A
Unexpended, by Fund:				
General Revenue	7,890	0	0	N/A
Federal	1,118,650	251,947	0	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: The Home Health and PACE programs were divided into separate budgeting units in FY 2010.

(2) FY 2011: $194,408 was paid out of the supplemental pool.

(3) FY 2012: $574,068 was paid out of the supplemental pool.

(4) FY 2013: Core Restriction of $200,000. Funding increase for a $750 per month rate increase.

CORE RECONCILIATION DETAIL

STATE

PACE

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			PD	0.00	2,620,356	4,255,367	0	6,875,723	
			Total	**0.00**	**2,620,356**	**4,255,367**	**0**	**6,875,723**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	859	4423	PD	0.00	0	(123,780)	0	(123,780)	Core Reduction of FY 2013 Expenditure Restriction
Core Reduction	859	4422	PD	0.00	(76,220)	0	0	(76,220)	Core Reduction of FY 2013 Expenditure Restriction
NET DEPARTMENT CHANGES				**0.00**	**(76,220)**	**(123,780)**	**0**	**(200,000)**	
DEPARTMENT CORE REQUEST									
			PD	0.00	2,544,136	4,131,587	0	6,675,723	
			Total	**0.00**	**2,544,136**	**4,131,587**	**0**	**6,675,723**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS									
Core Reduction	2301	4423	PD	0.00	0	(1,701)	0	(1,701)	
NET GOVERNOR CHANGES				**0.00**	**0**	**(1,701)**	**0**	**(1,701)**	
GOVERNOR'S RECOMMENDED CORE									
			PD	0.00	2,544,136	4,129,886	0	6,674,022	
			Total	**0.00**	**2,544,136**	**4,129,886**	**0**	**6,674,022**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PACE								
CORE								
PROGRAM DISTRIBUTIONS	5,073,693	0.00	6,875,723	0.00	6,675,723	0.00	6,674,022	0.00
TOTAL - PD	5,073,693	0.00	6,875,723	0.00	6,675,723	0.00	6,674,022	0.00
GRAND TOTAL	$5,073,693	0.00	$6,875,723	0.00	$6,675,723	0.00	$6,674,022	0.00
GENERAL REVENUE	$1,552,734	0.00	$2,620,356	0.00	$2,544,136	0.00	$2,544,136	0.00
FEDERAL FUNDS	$3,520,959	0.00	$4,255,367	0.00	$4,131,587	0.00	$4,129,886	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Program of All Inclusive Care for the Elderly (PACE)
Program is found in the following core budget(s): PACE

1. What does this program do?

The goal is to maximize each participant's potential and continued residence in the home and community by providing preventive primary care and supports to the individual while in the home and community. The PACE program helps the participant stay as independent as possible. The PACE organization is the individual's sole source provider guaranteeing access to services, but not to a specific provider.

The PACE organization provides a full range of preventive, primary, acute, and long-term care services 24 hours per day, 7 days per week. The PACE Center is open Monday through Friday 8 AM to 5 PM to offer services on-site in an adult day health center setting. The PACE organization also provides in-home services as deemed necessary by the PACE Interdisciplinary Team (IDT). All medical services the individual requires while enrolled in the PACE program are the financial responsibility of the PACE provider.

PACE combines adult day settings, home care, interdisciplinary teams, transportation systems, and capitated payment systems so that providers can respond to the unique needs of each frail, elderly individual served.

The Missouri Department of Social Services, MO HealthNet Division, is the state administering agency for the PACE program.

To be eligible to enroll in the PACE program individuals must be at least 55 years old, live in the PACE service area, have been certified by the Missouri Department of Health and Senior Services to have met the nursing home level of care of 21 points or higher, and be recommended by the PACE staff for PACE program services as the best option for their care.

At the time of enrollment, an individual must be able to live in a community setting without jeopardizing his or her health or safety.

Enrollment in the PACE program is always voluntary and participants have the option to return to the fee-for-service system at any time. Eligibility to enroll in the PACE program is not restricted to Medicare beneficiaries or MO HealthNet participants. A potential PACE enrollee may, but is not required to be entitled to Medicare Part A, enrolled under Medicare Part B, or eligible for MO HealthNet.

Attendance at the PACE center is determined by the interdisciplinary team and based on the needs and preferences of the participants. Some participants attend every day and some only 2-3 times per week. The PACE organization provides transportation to and from the PACE center each day the participant is scheduled to attend. Rates for PACE is either a Dual Rate of $2,812 or a MO HealthNet only rate of $4,284. On average 81% of participants are at the dual rate.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152 and 208.168; Federal Regulations: 42 CFR 460

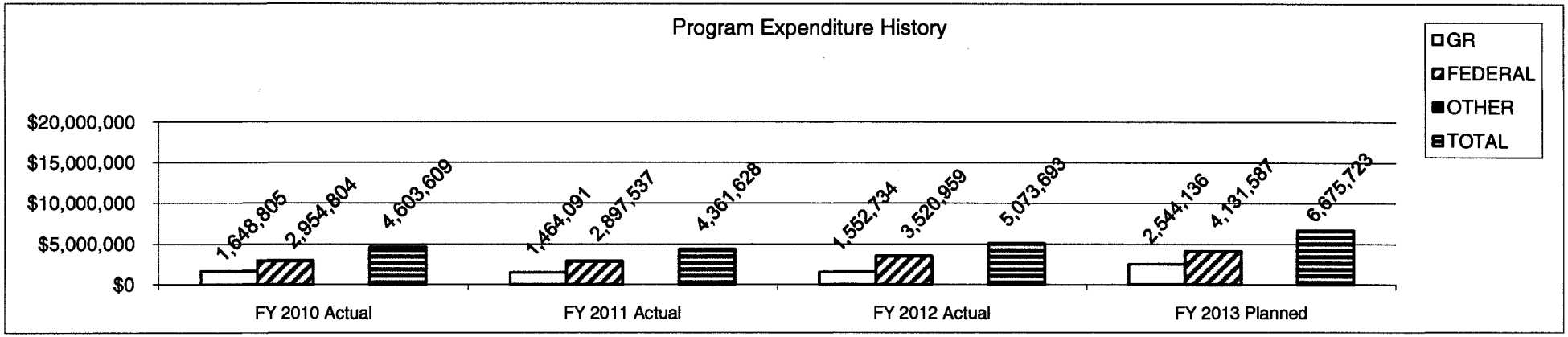
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

PACE is an optional program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2012 Actual does not reflect $574,068 paid from supplemental pool.

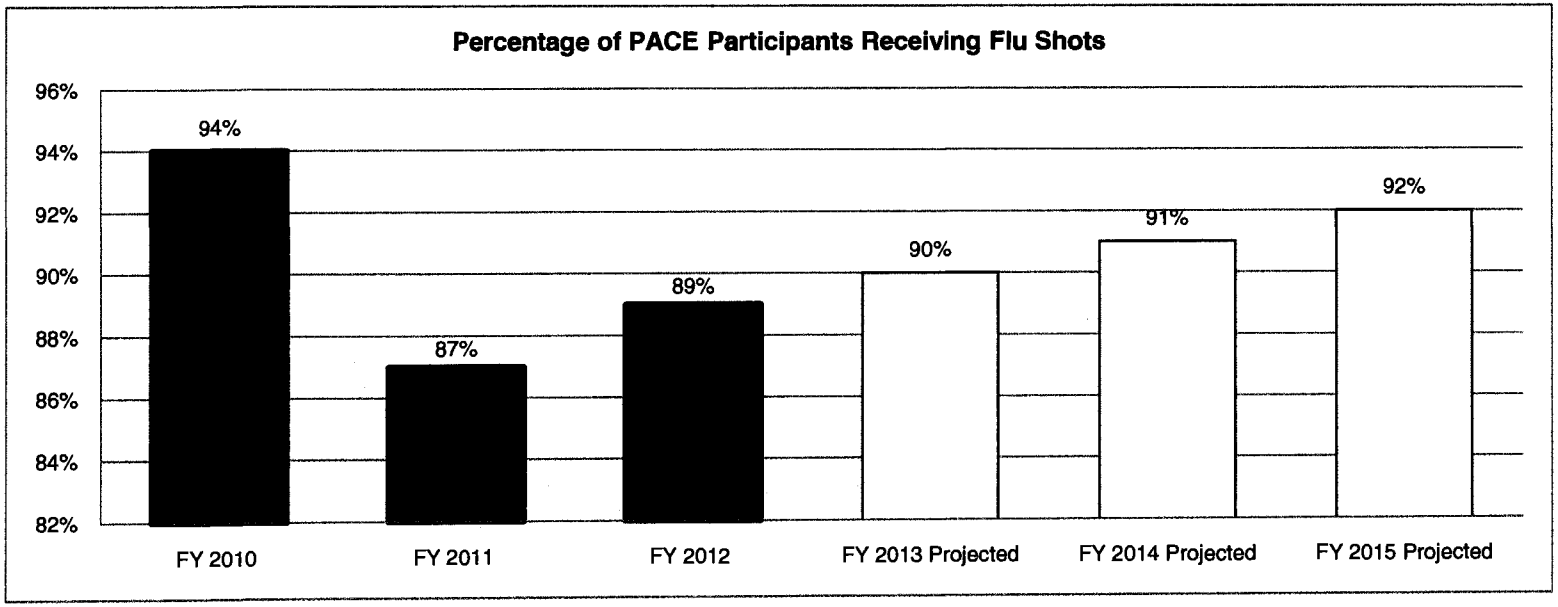
FY 2013 Planned is net of reserves. Reserves: $76,220 GR, $123,780 Federal.

6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

PACE offers flu shots to all of their participants to protect their participants from the flu and the serious problems it creates for the frail elderly.



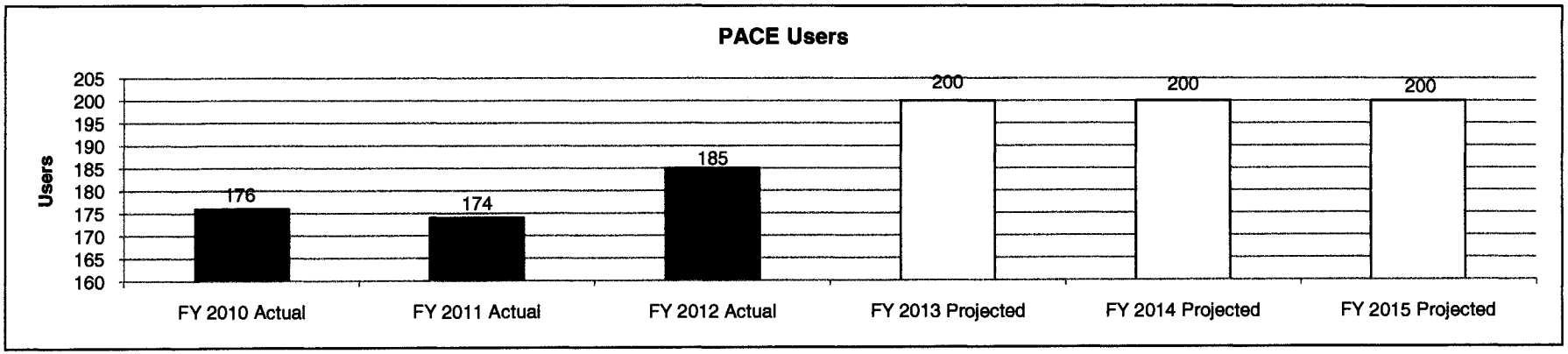
7b. Provide an efficiency measure.

The PACE program helps MO HealthNet participants remain in their homes instead of seeking institutional care under the fee-for-service program by helping them stay as independent as possible. While some PACE participants need to move into a Nursing Home, the participants remain enrolled in PACE, and the PACE provider is responsible for all services provided to these participants. A significant portion of PACE participants continue to live at home and receive services under the PACE program.

PACE Participants				
SFY	Users	Reside In NF	Reside in Their Home	% Reside in Home
2010 Actual	176	26	150	85%
2011 Actual	174	29	145	83%
2012 Actual	185	20	165	89%
2013 Projected	200	25	175	88%
2014 Projected	200	25	175	88%
2015 Projected	200	25	175	88%

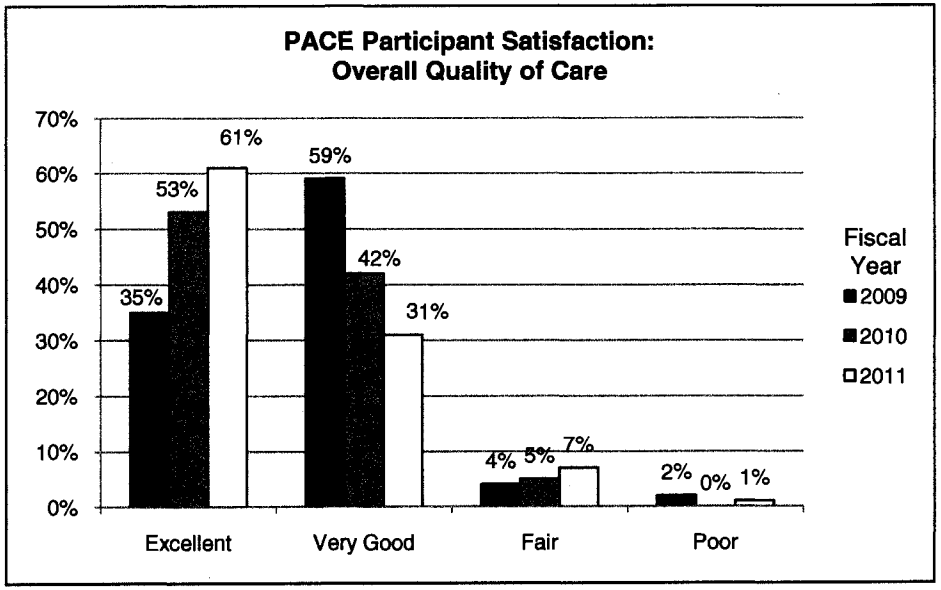
7c. Provide the number of clients/individuals served, if applicable.

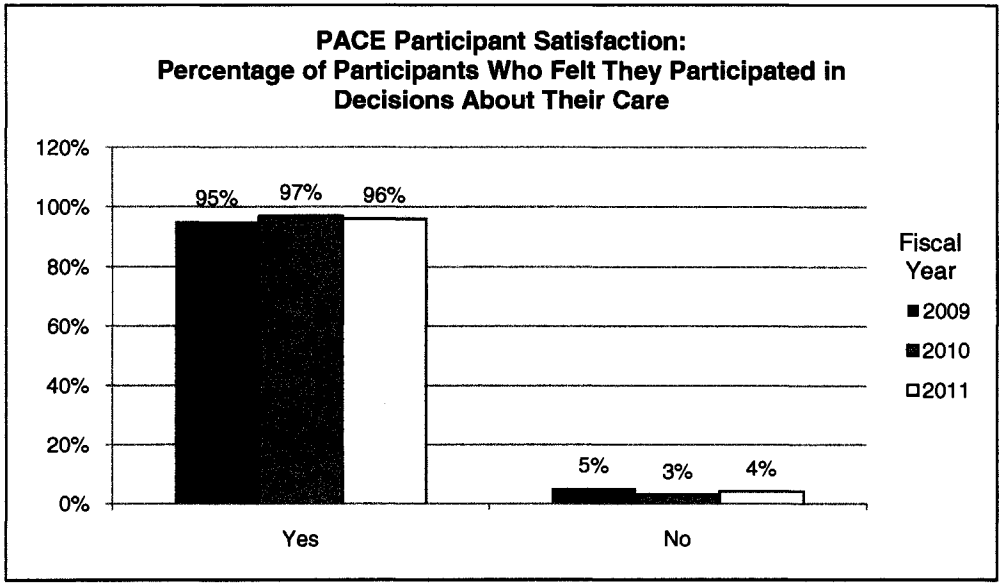
Users include dual participants, MO HealthNet participants and Medicare-only participants.

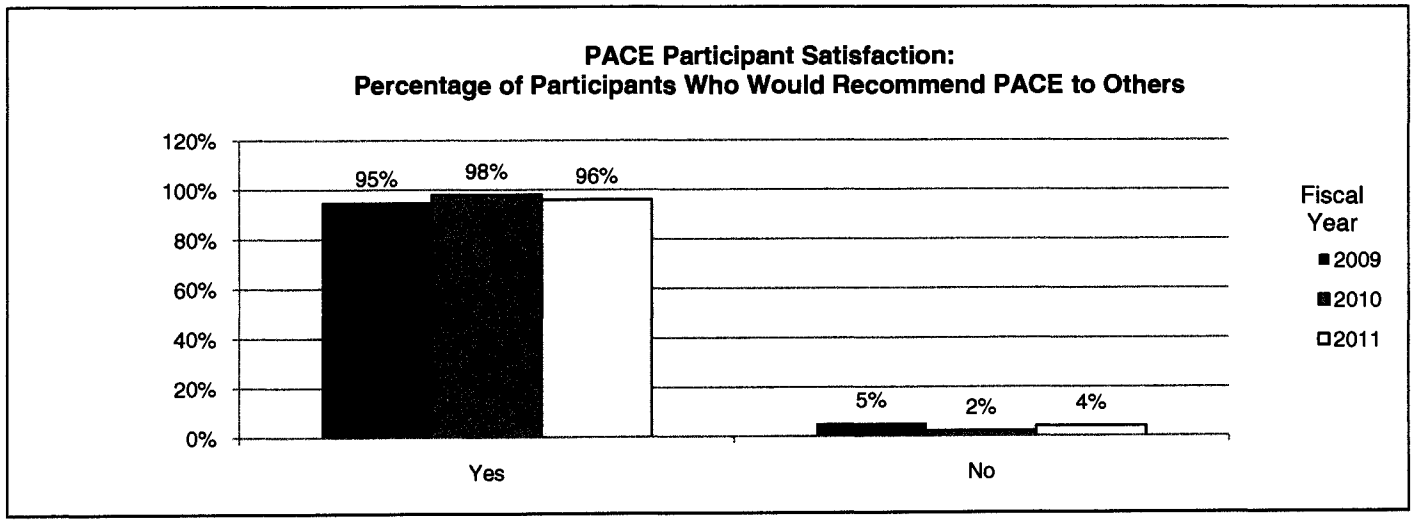


7d. Provide a customer satisfaction measure, if available.

Alexian Brothers Community Services performs annual Participant Satisfaction Surveys.







Long Term Support UPL Transfer

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
LONG TERM SUPPORT UPL TRANSFER								
CORE								
FUND TRANSFERS								
LONG-TERM SUPPORT UPL	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
TOTAL - TRF	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
TOTAL	**0**	**0.00**	**10,990,982**	**0.00**	**10,990,982**	**0.00**	**10,990,982**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$10,990,982**	**0.00**	**$10,990,982**	**0.00**	**$10,990,982**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Long Term Support UPL Transfer

Budget Unit 90860C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD					PSD				
TRF			10,990,982	10,990,982	TRF			10,990,982	10,990,982
Total	0	0	10,990,982	10,990,982	Total	0	0	10,990,982	10,990,982
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Long Term Support UPL (0724)

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Long Term Support UPL (0724)

2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers allow the state to draw federal match for nursing facility provided by public entities.

3. PROGRAM LISTING (list programs included in this core funding)

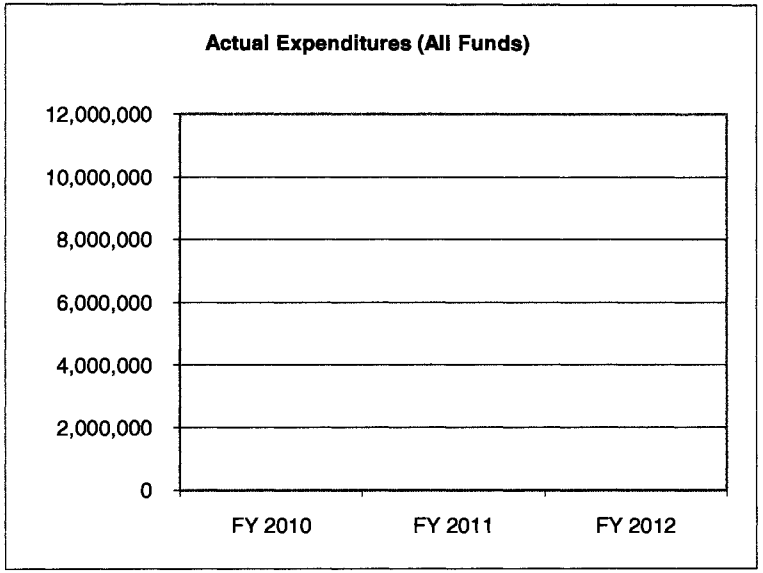
Long Term Support UPL

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Long Term Support UPL Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	0	0	0	10,990,982
Less Reverted (All Funds)	0	0	0	0
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	10,990,982
Unexpended (All Funds)	0	0	0	0
Unexpended, by Fund:				
General Revenue	0	0	0	0
Federal	0	0	0	0
Other	0	0	0	10,990,982



NOTES:

STATE

LONG TERM SUPPORT UPL TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	10,990,982	10,990,982	
	Total	**0.00**	**0**	**0**	**10,990,982**	**10,990,982**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	10,990,982	10,990,982	
	Total	**0.00**	**0**	**0**	**10,990,982**	**10,990,982**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	10,990,982	10,990,982	
	Total	**0.00**	**0**	**0**	**10,990,982**	**10,990,982**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
LONG TERM SUPPORT UPL TRANSFER								
CORE								
TRANSFERS OUT	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
TOTAL - TRF	0	0.00	10,990,982	0.00	10,990,982	0.00	10,990,982	0.00
GRAND TOTAL	$0	0.00	$10,990,982	0.00	$10,990,982	0.00	$10,990,982	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$10,990,982	0.00	$10,990,982	0.00	$10,990,982	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Long Term Support UPL Transfer
Program is found in the following core budget(s): Long Term Support UPL Transfer

1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

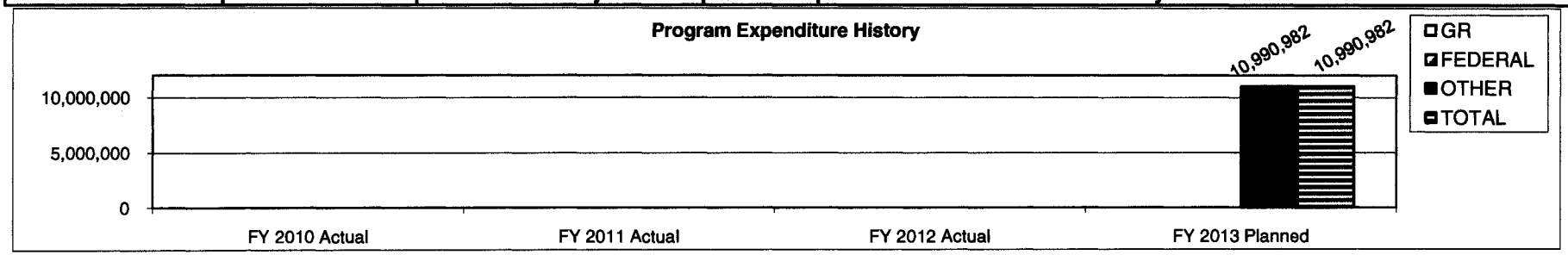
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Long Term Support UPL (0724)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for nursing facility provided by public entities. Measures for nursing facility services are included in the nursing facility section.

Long Term Support Payment

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
LONG TERM SUPPORT PAYMENTS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	28,383,118	0.00	28,383,118	0.00	28,383,118	0.00
LONG-TERM SUPPORT UPL	0	0.00	17,511,994	0.00	17,511,994	0.00	17,502,101	0.00
TOTAL - PD	0	0.00	45,895,112	0.00	45,895,112	0.00	45,885,219	0.00
TOTAL	**0**	**0.00**	**45,895,112**	**0.00**	**45,895,112**	**0.00**	**45,885,219**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	9,893	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	9,893	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**9,893**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$45,895,112**	**0.00**	**$45,895,112**	**0.00**	**$45,895,112**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Long Term Support Payments

Budget Unit: 90548C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		28,383,118	17,511,994	45,895,112
TRF				
Total	0	28,383,118	17,511,994	45,895,112
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Long Term Support UPL (0724)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		28,383,118	17,502,101	45,885,219
TRF				
Total	0	28,383,118	17,502,101	45,885,219
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Long Term Support UPL (0724)

2. CORE DESCRIPTION

Establishing a partnership between privately owned long-term care facilities, and publicly operated long-term care related services, such as county nursing homes, allows Missouri to generate new federal revenue by having private nursing homes assume financial responsibility for publicly funded long term care services and supports. This shift in financial responsibility frees up public funding that can be used to access additional federal matching funds. The new dollars can be used to offset general revenue, increase reimbursement to providers of long term care and supports, as well as assist local governments to develop and maintain its long-term service delivery system.

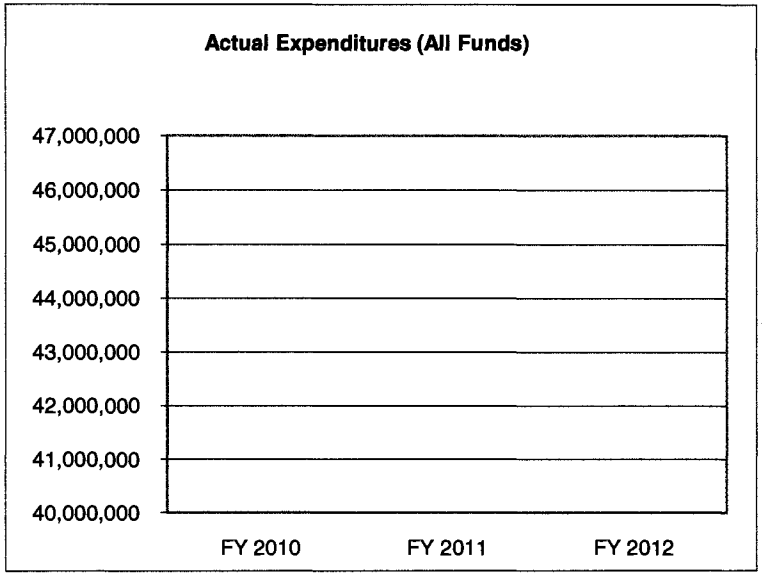
3. PROGRAM LISTING (list programs included in this core funding)

Long Term Support Payments

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	0	0	0	45,895,112
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)	0	0	0	N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A

(1)



NOTES:

(1) FY 2013: New program in FY 2013.

STATE
LONG TERM SUPPORT PAYMENTS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	28,383,118	17,511,994	45,895,112	
	Total	**0.00**	**0**	**28,383,118**	**17,511,994**	**45,895,112**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	28,383,118	17,511,994	45,895,112	
	Total	**0.00**	**0**	**28,383,118**	**17,511,994**	**45,895,112**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS							
Core Reduction 2307 8239	PD	0.00	0	0	(9,893)	(9,893)	
NET GOVERNOR CHANGES		**0.00**	**0**	**0**	**(9,893)**	**(9,893)**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	28,383,118	17,502,101	45,885,219	
	Total	**0.00**	**0**	**28,383,118**	**17,502,101**	**45,885,219**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
LONG TERM SUPPORT PAYMENTS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	45,895,112	0.00	45,895,112	0.00	45,885,219	0.00
TOTAL - PD	0	0.00	45,895,112	0.00	45,895,112	0.00	45,885,219	0.00
GRAND TOTAL	$0	0.00	$45,895,112	0.00	$45,895,112	0.00	$45,885,219	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$28,383,118	0.00	$28,383,118	0.00	$28,383,118	0.00
OTHER FUNDS	$0	0.00	$17,511,994	0.00	$17,511,994	0.00	$17,502,101	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Long Term Support Payments
Program is found in the following core budget(s): Long Term Support Payments

1. What does this program do?

Establishing a partnership between privately owned long-term care facilities, and publicly operated long-term care related services, such as county nursing homes, allows Missouri to generate new federal revenue by having private nursing homes assume financial responsibility for publicly funded long term care services and supports. This shift in financial responsibility frees up public funding that can be used to access additional federal matching funds. The new dollars can be used to offset general revenue, increase reimbursement to providers of long term care and supports, as well as assist local governments to develop and maintain its long-term service delivery system.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: Federal Regulations: 42 CFR, 447.272

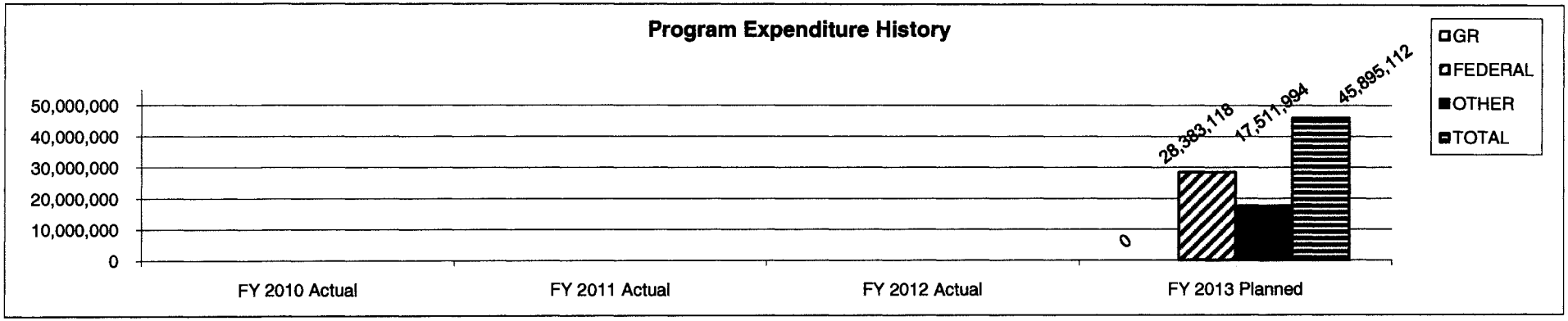
3. Are there federal matching requirements? If yes, please explain.

There will be federal matching requirements for allowable medicaid expenses.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



New program in FY 2013.

6. What are the sources of the "Other " funds?

Long Term Support UPL Fund (0724)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

Rehab & Specialty
Services

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	751,347	0.00	872,000	0.00	872,000	0.00	872,000	0.00
TITLE XIX-FEDERAL AND OTHER	804,861	0.00	844,000	0.00	844,000	0.00	844,000	0.00
TOTAL - EE	1,556,208	0.00	1,716,000	0.00	1,716,000	0.00	1,716,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	80,881,851	0.00	84,954,090	0.00	84,954,090	0.00	84,753,679	0.00
TITLE XIX-FEDERAL AND OTHER	148,200,390	0.00	158,857,775	0.00	158,857,775	0.00	158,857,775	0.00
NURSING FACILITY FED REIM ALLW	1,414,043	0.00	1,414,043	0.00	1,414,043	0.00	1,414,043	0.00
HEALTH INITIATIVES	189,035	0.00	194,881	0.00	194,881	0.00	194,881	0.00
HEALTHY FAMILIES TRUST	831,745	0.00	831,745	0.00	831,745	0.00	831,745	0.00
AMBULANCE SERVICE REIMB ALLOW	6,827,249	0.00	10,141,830	0.00	10,141,830	0.00	10,141,830	0.00
TOTAL - PD	238,344,313	0.00	256,394,364	0.00	256,394,364	0.00	256,193,953	0.00
TOTAL	**239,900,521**	**0.00**	**258,110,364**	**0.00**	**258,110,364**	**0.00**	**257,909,953**	**0.00**
Hospice Rate Increase - 1886012								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	127,312	0.00	125,681	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	202,257	0.00	203,888	0.00
TOTAL - PD	0	0.00	0	0.00	329,569	0.00	329,569	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**329,569**	**0.00**	**329,569**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	200,411	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	200,411	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**200,411**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Foster Children Medicaid - 1886025								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	60,720	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	60,720	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**60,720**	**0.00**
Amb Reimbursement Allowance - 1886026								
PROGRAM-SPECIFIC								
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	0	0.00	6,820,250	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	6,820,250	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**6,820,250**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(586,652)	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	0	0.00	(7,126)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(593,778)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(593,778)**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	288,308	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	473,394	0.00
AMBULANCE SERVICE REIMB ALLOW	0	0.00	0	0.00	0	0.00	3,503	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	765,205	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**765,205**	**0.00**
Nursing Facility Rate Increase - 1886034								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,524,861	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Nursing Facility Rate Increase - 1886034								
PROGRAM-SPECIFIC								
MO SENIOR SERVICES PROTECTION	0	0.00	0	0.00	0	0.00	939,957	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	2,464,818	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**2,464,818**	**0.00**
GRAND TOTAL	**$239,900,521**	**0.00**	**$258,110,364**	**0.00**	**$258,439,933**	**0.00**	**$267,957,148**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Rehab and Specialty Services

Budget Unit: 90550C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE	872,000	844,000		1,716,000
PSD	84,954,090	158,857,775	12,582,499	256,394,364
TRF				
Total	85,826,090	159,701,775	12,582,499	258,110,364
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthy Families Trust Fund (0625)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)
Ambulance Service Reimbursement Allowance (0958)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE	872,000	844,000		1,716,000
PSD	84,753,679	158,857,775	12,582,499	256,193,953
TRF				
Total	85,625,679	159,701,775	12,582,499	257,909,953
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Healthy Families Trust Fund (0625)
Health Initiatives Fund (HIF) (0275)
Nursing Facility Federal Reimbursement Allowance (NFFRA) (0196)
Ambulance Service Reimbursement Allowance (0958)

2. CORE DESCRIPTION

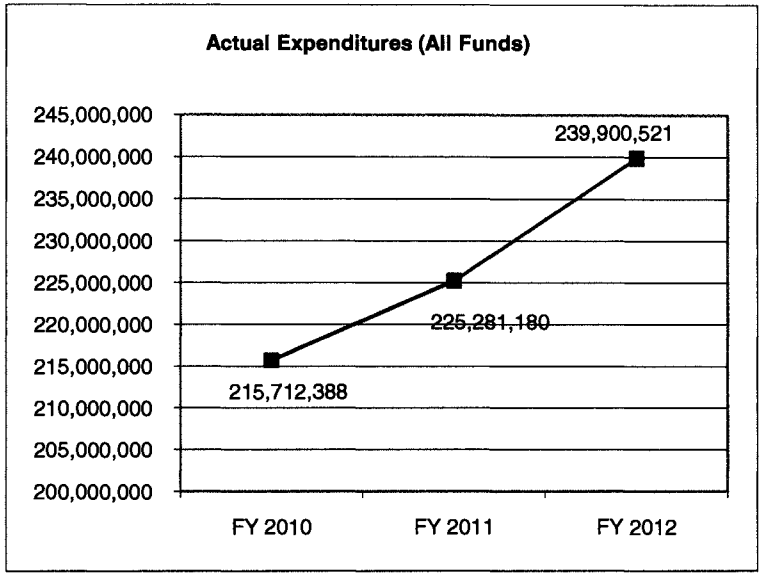
Funding provides Rehabilitation and Specialty services for the fee-for-service MO HealthNet population. The services funded from this core include: audiology/hearing aid; optical; durable medical equipment (DME); ambulance; rehabilitation center; hospice; diabetes self-management training; and comprehensive day rehabilitation. In those regions of the state where MO HealthNet Managed Care has been implemented, participants have Rehab and Specialty services available through the MO HealthNet Managed Care health plans.

3. PROGRAM LISTING (list programs included in this core funding)

Rehabilitation and Specialty Services

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	243,332,955	256,329,941	257,635,673	258,110,364
Less Reverted (All Funds)	(743,885)	(1,805,846)	(5,846)	N/A
Budget Authority (All Funds)	242,589,070	254,524,095	257,629,827	N/A
Actual Expenditures (All Funds)	215,712,388	225,281,180	239,900,521	N/A
Unexpended (All Funds)	26,876,682	29,242,915	17,729,306	N/A
Unexpended, by Fund:				
General Revenue	0	69,726	14,663	N/A
Federal	17,807,457	19,031,359	14,400,062	N/A
Other	9,069,225	10,141,830	3,314,581	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: Agency reserve of $26,876,682: $17,807,457 from Federal and $9,069,225 from Ambulance Service Reimbursement Allowance. Expenditures of $15,916,437 were paid from the Supplemental Pool.

(2) FY 2011: Agency reserve of $13,253,353: $3,111,523 from Federal and $10,141,830 from Ambulance Service Reimbursement Allowance. Expenditures of $461,393 were paid from the Supplemental Pool.

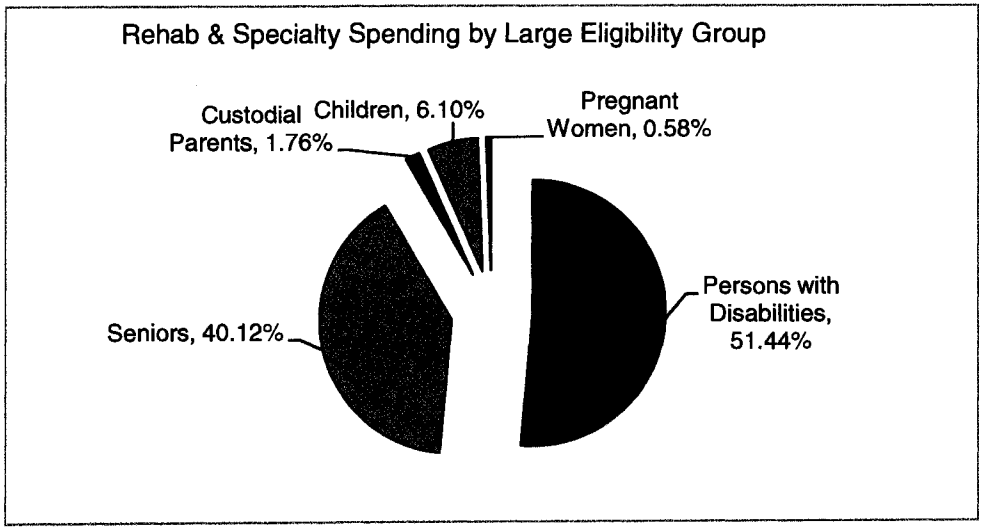
(3) FY 2012: Agency reserve of $2,966,830 from Ambulance Service Reimbursement Allowance. Expenditures of $377,280 were paid form the Supplemental Pool.

(4) FY2013: Estimated "E" appropriation for Ambulance Service Reimbursement Allowance removed in FY 2013.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Rehab & Specialty PMPM	*Acute Care PMPM*	*Total PMPM*	*Rehab & Specialty Percentage of Acute*	*Rehab & Specialty Percentage of Total*
PTD	$54.92	$990.49	$1,691.92	5.54%	3.25%
Seniors	$92.56	$324.66	$1,311.01	28.51%	7.06%
Custodial Parents	$3.92	$439.91	$455.95	0.89%	0.86%
Children*	$2.32	$247.84	$280.12	0.94%	0.83%
Pregnant Women	$3.72	$546.42	$555.64	0.68%	0.67%

Source: Table 23 Medical Statistics for FY 12. (Paid Claims Data)
** CHIP eligibles not included*



Source: Table 23 Medical Statistics for FY 12. (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for hospital care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the rehab and specialty PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for rehab and specialty services. It provides a snapshot of what eligibility groups are receiving the services, as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

STATE
REHAB AND SPECIALTY SERVICES

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	872,000	844,000	0	1,716,000	
	PD	0.00	84,954,090	158,857,775	12,582,499	256,394,364	
	Total	**0.00**	**85,826,090**	**159,701,775**	**12,582,499**	**258,110,364**	
DEPARTMENT CORE REQUEST							
	EE	0.00	872,000	844,000	0	1,716,000	
	PD	0.00	84,954,090	158,857,775	12,582,499	256,394,364	
	Total	**0.00**	**85,826,090**	**159,701,775**	**12,582,499**	**258,110,364**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS							
Core Reduction 2309 8204	PD	0.00	(200,411)	0	0	(200,411)	
NET GOVERNOR CHANGES		**0.00**	**(200,411)**	**0**	**0**	**(200,411)**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	872,000	844,000	0	1,716,000	
	PD	0.00	84,753,679	158,857,775	12,582,499	256,193,953	
	Total	**0.00**	**85,625,679**	**159,701,775**	**12,582,499**	**257,909,953**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
CORE								
PROFESSIONAL SERVICES	1,556,208	0.00	1,716,000	0.00	1,716,000	0.00	1,716,000	0.00
TOTAL - EE	**1,556,208**	**0.00**	**1,716,000**	**0.00**	**1,716,000**	**0.00**	**1,716,000**	**0.00**
PROGRAM DISTRIBUTIONS	238,344,313	0.00	256,394,364	0.00	256,394,364	0.00	256,193,953	0.00
TOTAL - PD	**238,344,313**	**0.00**	**256,394,364**	**0.00**	**256,394,364**	**0.00**	**256,193,953**	**0.00**
GRAND TOTAL	**$239,900,521**	**0.00**	**$258,110,364**	**0.00**	**$258,110,364**	**0.00**	**$257,909,953**	**0.00**
GENERAL REVENUE	**$81,633,198**	**0.00**	**$85,826,090**	**0.00**	**$85,826,090**	**0.00**	**$85,625,679**	**0.00**
FEDERAL FUNDS	**$149,005,251**	**0.00**	**$159,701,775**	**0.00**	**$159,701,775**	**0.00**	**$159,701,775**	**0.00**
OTHER FUNDS	**$9,262,072**	**0.00**	**$12,582,499**	**0.00**	**$12,582,499**	**0.00**	**$12,582,499**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Rehab and Specialty Services
Program is found in the following core budget(s): Rehab and Specialty Services

1. What does this program do?

Provides payment for audiology, optometric, durable medical equipment, ambulance, rehabilitation centers, hospice, comprehensive day rehabilitation and diabetes self-management training for MO HealthNet participants. Unless otherwise noted, the rehabilitation and specialty services are covered only for participants who are under the age of 21, pregnant women, blind persons, or nursing facility residents.

Audiology/Hearing Aid - This program is intended only to provide hearing aids and related covered services. Persons eligible for reimbursement of the MO HealthNet Hearing Aid Program services include eligible needy children or persons receiving MO HealthNet benefits under a category of assistance for pregnant women, the blind or nursing facility residents. Covered services include: audiological testing, hearing aids, ear molds, hearing aid fitting, hearing aid dispensing/evaluation, post-fitting evaluation, post-fitting adjustments, and hearing aid repairs. All hearing aids and related services must have prior approval except audiometric testing, post-fitting evaluation, post-fitting adjustment, and repairs to hearing aids no longer under warranty. An audiologist consultant gives prior authorization for the claims.

A participant is entitled to one new hearing aid and related services every four years. However, services for children under the EPSDT/HCY program are determined to be whatever is medically necessary. The EPSDT claims are reviewed by the consultant only if rejected by the computer system. Copay is a charge for a small portion of the cost of services and applies to individuals age 19 and over with a few exceptions (foster care children and institutional residents).

Optical - The MO HealthNet Optical Program covers the following types of providers and services: (1) Optometrists - eye examinations, eyeglasses, artificial eyes, and special ophthalmological services; (2) Physicians - eyeglasses, artificial eyes (physician must be enrolled in the Optical program in order to bill for these services); and (3) Opticians - eyeglasses and artificial eyes.

As of June 15, 2009, the MO HealthNet Division (MHD) requires pre-certification for optical services provided to MO HealthNet fee-for-service participants through MHD's web tool, CyberAccessSM.

Participants who are age 20 and under or are pregnant, blind, or in a nursing facility are eligible for an eye exam every twelve months. MO HealthNet participants age 21 and over are eligible for an eye exam every twenty-four months. Participants may be eligible for eye exams within the stated time periods if the participant has a .50 diopter change in one or both eyes. MO HealthNet eligible participants are allowed one pair of complete eye glasses every two years. Participants that have a .50 diopter change within the stated time periods may be eligible to receive a new lens. Copay (a charge for a small portion of the cost of the service), and applies to individuals age 19 and over with the exceptions of foster care children and institutional residents. An optometrist is used as a consultant for this program. The consultant reviews prescriptions that do not meet the program criteria.

Durable Medical Equipment (DME) - MO HealthNet reimburses qualified participating DME providers for certain items of durable medical equipment such as: prosthetics, oxygen and respiratory care equipment, ostomy supplies, wheelchairs, wheelchair accessories, labor and repair codes. These items must be for use in the participant's home when ordered in writing by the participant's physician or nurse practitioner.

The following items are covered for MO HealthNet participants: apnea monitors, artificial larynx and related items, augmentative communications devices, canes, crutches, commodes, bed pans, adult incontinence briefs, urinals, CPAP devices, decubitus care equipment, hospital beds, side rails, humidifiers, BiPAP machines, IPPB machines, insulin pumps and supplies, labor and repair codes, nebulizers, orthotics, ostomy supplies, oxygen and respiratory equipment, patient lifts and trapeze, prosthetics, scooters, suction pumps, total parenteral nutrition mix, supplies and equipment, wheelchairs, wheelchair accessories and walkers. Although an item is classified as DME, it may not be covered in every instance. Coverage is based on the fact that the item is reasonable and necessary for treatment of an illness or injury, or to improve the functioning of a malformed or permanently inoperative body part, the equipment meets the definition of durable medical equipment or prosthesis, and the equipment is used in the participant's home.

Even though a DME item may serve some useful medical purpose, consideration must be given by the physician and the DME supplier to what extent, if any, it is reasonable for MO HealthNet to pay for the item as opposed to another realistically feasible alternative pattern of care. Consideration should also be given by the physician and the DME provider as to whether the item serves essentially the same purpose as equipment already available to the participant. If two different items each meet the need of the participant, the less expensive item must be employed, all other conditions being equal. Equipment features of an aesthetic or medical nature which are not medically necessary are not reimbursable.

Ambulance - Emergency medical transportation is provided under the ambulance program. Ambulance services are covered if they are emergency services and transportation is made to the nearest appropriate hospital. Certain specified non-emergency but medically necessary ambulance transports are also covered. Reimbursement is provided for the base charge (the lesser of the MO HealthNet maximum allowed amount or billed charge) for patient pick-up and transportation to destination (mileage for transporting a patient beyond the five miles is not included in the base charge), mileage, and ancillary services related to emergency situations. Ambulance services can be provided through ground or air transportation (helicopter/fixed wing) if medically necessary. All MO HealthNet participants are eligible for ambulance services.

Rehabilitation Center - The rehabilitation center program pays for adaptive training of MO HealthNet participants who have prosthetic/orthotic devices. Covered services include: comprehensive evaluation, stump conditioning, prosthetic training, and orthotic training, speech therapy for artificial larynx and occupational therapy related to the prosthetic/orthotic adaption. These procedures are covered by MO HealthNet even when the prosthetic/orthotic service was not provided through the MO HealthNet program.

Evaluation and training for an augmentative communication device is covered through the Rehabilitation Center Program. Augmentative communication devices and accessories are covered through the Durable Medical Equipment Program.

Hospice - The hospice benefit is designed to meet the needs of patients with a life-limiting illness and to help their families cope with the problems and feelings related to this difficult time. Reimbursement is limited to qualified MO HealthNet enrolled hospice providers rendering services to terminally ill patients who have elected hospice benefits. After the participant elects hospice services, the hospice provides for all care, supplies, equipment, and medicines related to the terminal illness. MO HealthNet reimburses the hospice provider who then reimburses the provider of the services if the services are not provided by the hospice provider. However, hospice services for a child (ages 0-20) may be concurrent with the care related to the curative treatment of the child's condition for which a diagnosis of a terminal illness has been made.

MO HealthNet reimburses for routine home care, continuous home care, general inpatient, inpatient respite, and nursing home room and board, if necessary. Hospice rates are authorized by Section 1814 (I)(1)(C)(ii) of the Social Security Act and provide for an annual increase in the payment rates for hospice care services. The MO HealthNet rates are calculated based on the annual hospice rates established by Medicare. In addition, the Social Security Act also provides for an annual increase in the hospice cap amounts. Nursing home room and board is reimbursed to the hospice provider at 95% of the nursing home rate on file. The hospice is responsible for paying the nursing home. All MO HealthNet participants are eligible for hospice services.

Comprehensive Day Rehabilitation - This program covers services for certain persons with disabling impairments as the result of a traumatic head injury. It provides intensive, comprehensive services designed to prevent and/or minimize chronic disabilities while restoring the individual to an optimal level of physical, cognitive, and behavioral function within the context of the person, family, and community.

The program emphasizes functional living skills, adaptive strategies for cognitive, memory or perceptual deficits, and appropriate interpersonal skills. These services help to train individuals so that the person can leave the rehabilitation center and re-enter society. Services are designed to maintain and improve the participant's ability to function as independently as possible in the community. Services for this program must be provided in a free-standing rehabilitation center or in an acute hospital setting with space dedicated to head injury rehabilitation. Eligibility for this program is limited to individuals who are under the age of 21, pregnant women, blind persons or nursing home residents. These individuals must receive prior authorization from the MO HealthNet Division. Reimbursement is made for either a full day or a half day of services.

Clinical Management Services Program (CMSP)
Through a contract with Xerox (formerly ACS-Heritage), MHD operates an innovative electronic web-based clinical editing process for its point-of-sale pharmacy and medical claims, medical and drug prior authorization, and Drug Utilization Review (DUR) processes including optical and DME. MO HealthNet is in the process of adding a precertification module for psychology services.

The current CMSP claim processing system allows each claim/authorization request to be referenced against the participant's claims history including pharmacy, medical, and procedural data (ICD-9 and CPT codes), providing real time data to participating MO HealthNet providers. For patients that meet approval criteria, the claim/authorization request will be paid automatically. In instances when a phone call is necessary, the hotline call center is available seven days a week, which allows providers prompt access to a paid claim for the requested product or service. In addition to receiving messages regarding the outcome of the processing of claims and the amount to be reimbursed, pharmacy providers receive prospective drug use review alert messages at the time prescriptions are dispensed.

The contract with Xerox utilizes their CyberAccess℠ tool to create integrated patient profiles containing prescription information, as well as patient diagnoses and procedure codes for a running 24 months of history. CyberAccess℠ provides: participant claims history profiles, updated daily, identifying all drugs, procedures, related diagnoses and ordering providers from claims paid by MHD for a rolling 36 month period; and three years of point of sale (POS) pharmacy claims refreshed every ten (10) minutes.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152; Federal law: Social Security Act Section 1905(a)(12) and (18), 1905(o); Federal regulation: 42 CFR 410.40, 418, 431.53, 440.60, 440.120, 440.130 and 440.170.

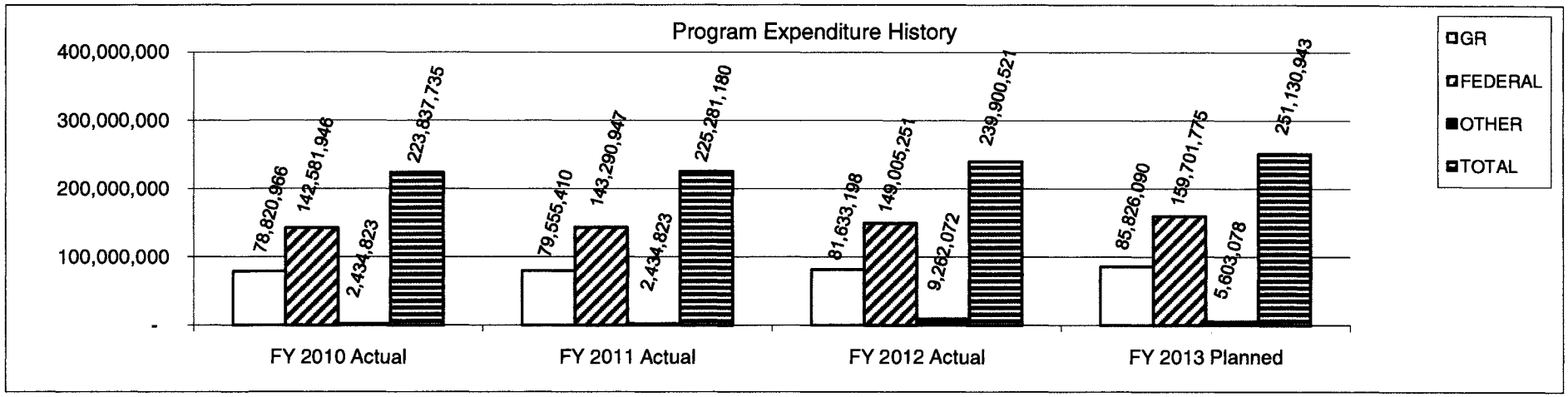
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is blended at a 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

This program is not mandatory for adults but is mandatory for children.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



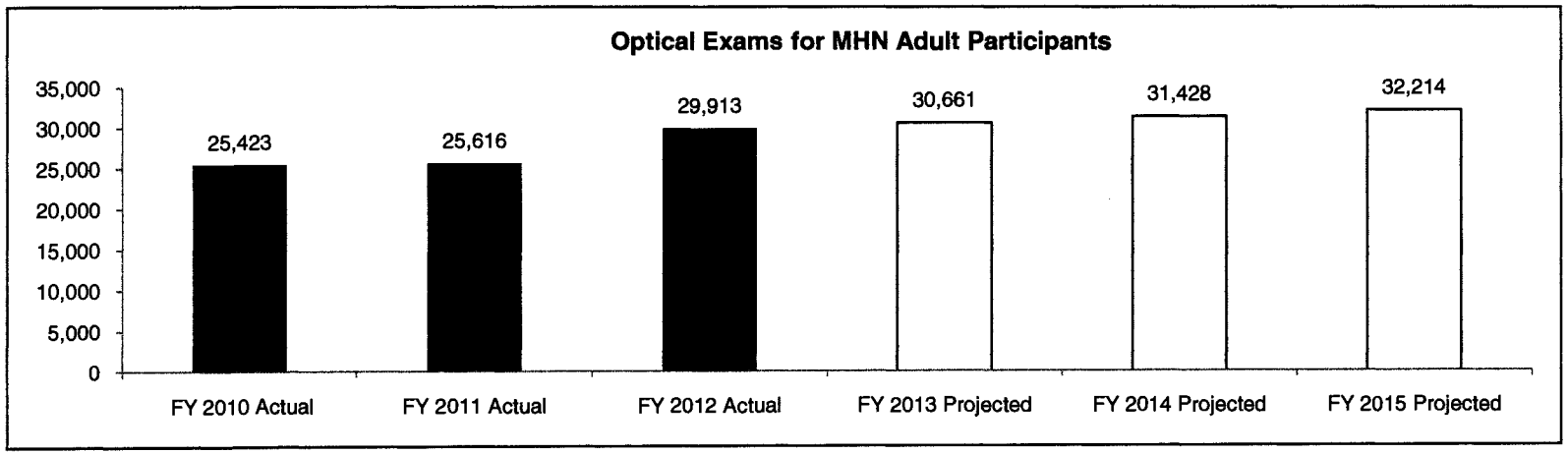
FY 2013 is net of reverted and reserved. Reserve: $6,973,575 Other Funds. Reverted: $5,846 Other Funds.

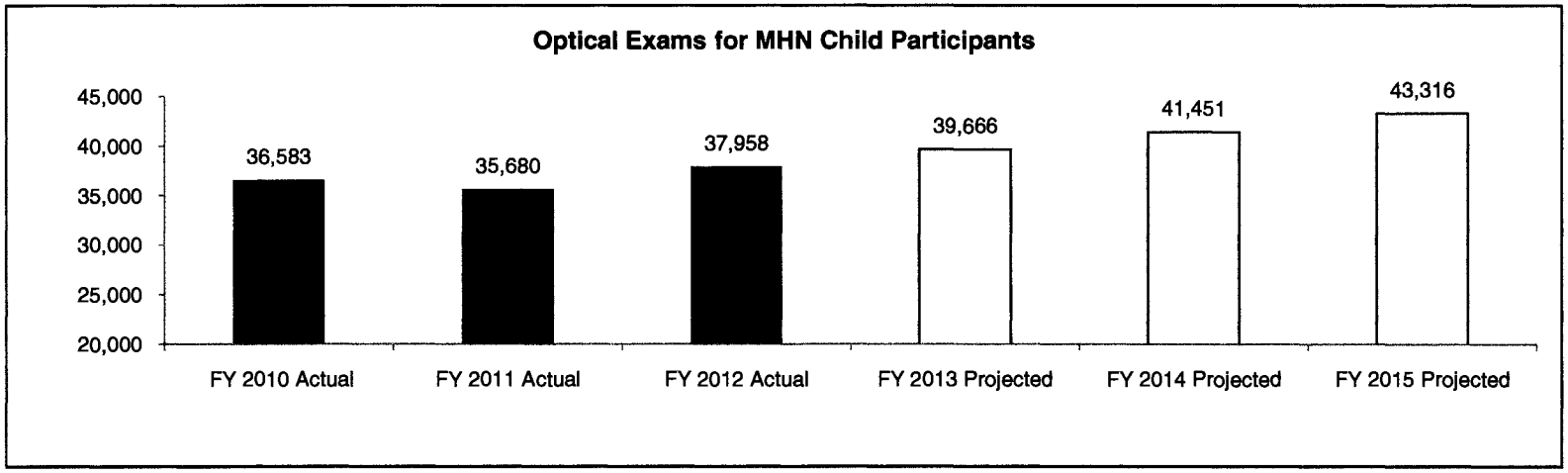
6. What are the sources of the "Other" funds?

Health Initiatives Fund (0275), Healthy Families Trust Fund (0625), Nursing Facility Federal Reimbursement Allowance (0196) and Ambulance Service Reimbursement Allowance Fund (0958).

7a. Provide an effectiveness measure.

Provide optical exams to MO HealthNet eligibles. Children and adults who are pregnant, blind, or in a nursing facility are eligible for an eye exam every twelve months. All other adults are eligible for one eye exam every twenty-four months. In state fiscal year 2012, over 29,000 optical examinations were provided to adults, and over 37,500 optical examinations were provided to eligible children.



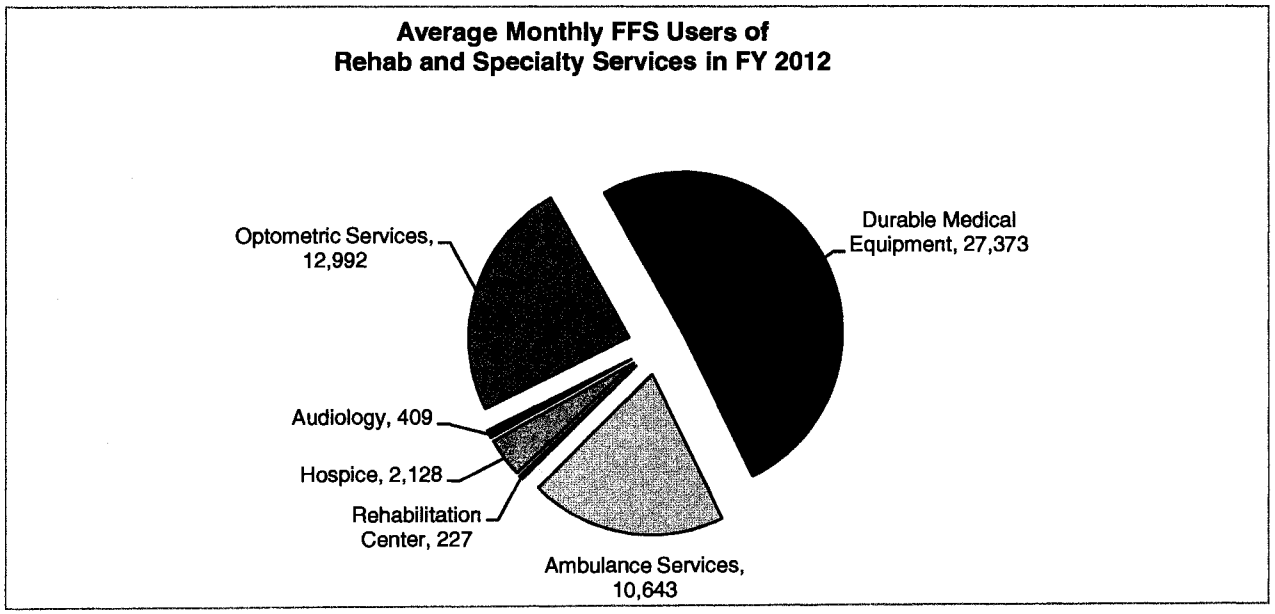


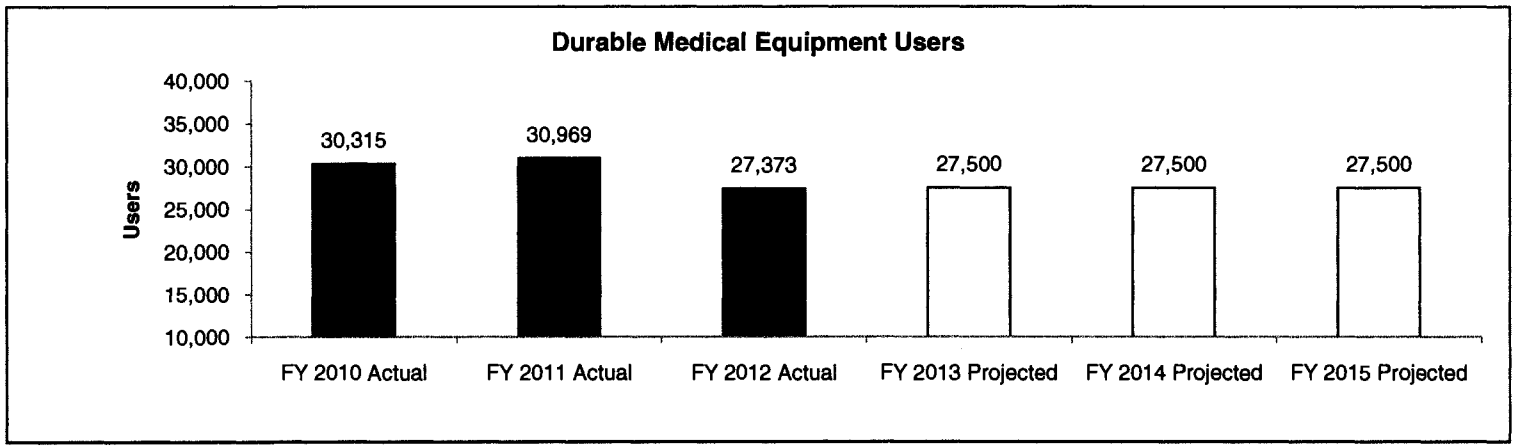
7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

In regions of the state with access to MO HealthNet Managed Care, rehab and specialty services are available through the MO HealthNet Managed Care health plans for those populations enrolled in Managed Care.





7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 12

Department: Social Services
Division: MO HealthNet
DI Name: Hospice Rate Increase

Budget Unit: 90550C

DI#: 1886012

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	127,312	202,257		329,569
TRF				
Total	127,312	202,257		329,569
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	125,681	203,888		329,569
TRF				
Total	125,681	203,888		329,569
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
X	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPISIS: Funding is needed to apply the annual hospice rate increase as established by Medicare.

The MO HealthNet hospice rates are calculated based on the annual hospice rates established under Medicare, Section 1814(j)(1)(ii). The Act provides for an annual increase in payment rates for hospice care services.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

MO HealthNet reimbursement for hospice care is made at one of four predetermined rates for each day in which an individual is under the care of the hospice. The four levels of care are routine home care, continuous home care, inpatient respite care, or general inpatient care. The rate paid for any day may vary, depending on the level of care furnished. Payment rates are adjusted for regional differences in wages.

An increase of 2.25% is requested. An increase of 4.9% was applied to actual FFY 12 units to arrive at the FFY 14 projected units of service. The projected units of service was multiplied by the projected increase in rates to arrive at the total need.

Hospice rates are adjusted in October which is the beginning of the federal fiscal year and is three months into the state's fiscal year. This request includes the three months of FFY 13 that fall within SFY 14 - estimated impact of $60,086. The twelve-months estimated increase for the FFY 14 rate adjustment is $359,310. This total is then multiplied by 9/12 to arrive at the SFY 14 impact of $269,483. The total request for SFY 14 is $329,569 (3 months totaling $60,086 plus 9 months totaling $269,483).

Department Request

	Total	GR	Federal	
July 2013 through Sept. 2013 Increase	60,086	23,211	36,875	FMAP 61.37% Quarter 1 (July through September)
Oct. 2013 through June 2014 Increase	269,483	104,101	165,382	FMAP 61.37% Quarters 2-4 (October through June)
Total	$329,569	$127,312	$202,257	

Governor Recommendation

Updated blended FMAP rate of 61.865 was used.

	Total	GR	Federal	
Total	329,569	125,681	203,888	FMAP 61.865%

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	127,312		202,257		0		329,569		
Total PSD	**127,312**		**202,257**		**0**		**329,569**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**127,312**	**0.0**	**202,257**	**0.0**	**0**	**0.0**	**329,569**	**0.0**	**0**

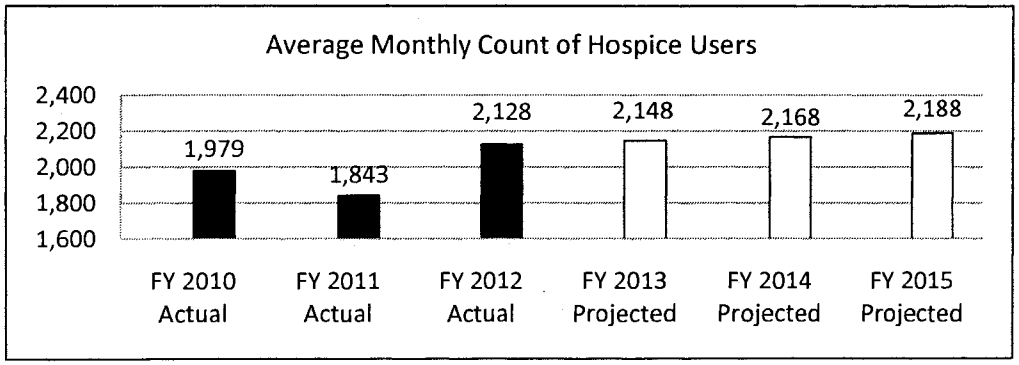
5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	125,681		203,888				329,569		
Total PSD	**125,681**		**203,888**		**0**		**329,569**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**125,681**	**0.0**	**203,888**	**0.0**	**0**	**0.0**	**329,569**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.
N/A

6b. Provide an efficiency measure.
N/A

6c. Provide the number of clients/individuals served, if applicable.



6d. Provide a customer satisfaction measure, if available.
N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
REHAB AND SPECIALTY SERVICES								
Hospice Rate Increase - 1886012								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	329,569	0.00	329,569	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**329,569**	**0.00**	**329,569**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$329,569**	**0.00**	**$329,569**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$127,312**	**0.00**	**$125,681**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$202,257**	**0.00**	**$203,888**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

NEMT

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	673,237	0.00	0	0.00	0	0.00	0	0.00
TITLE XIX-FEDERAL AND OTHER	562,788	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	1,236,025	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	10,131,247	0.00	11,579,111	0.00	11,579,111	0.00	11,579,111	0.00
TITLE XIX-FEDERAL AND OTHER	22,609,049	0.00	25,264,383	0.00	25,264,383	0.00	25,256,787	0.00
TOTAL - PD	32,740,296	0.00	36,843,494	0.00	36,843,494	0.00	36,835,898	0.00
TOTAL	**33,976,321**	**0.00**	**36,843,494**	**0.00**	**36,843,494**	**0.00**	**36,835,898**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	7,596	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	7,596	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**7,596**	**0.00**
NEMT - 1886023								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	1,754,210	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	2,845,790	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	4,600,000	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**4,600,000**	**0.00**
Foster Children Medicaid - 1886025								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	12,437	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	12,437	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**12,437**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(8,510)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(8,510)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(8,510)**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	18,462	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	29,950	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	48,412	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**48,412**	**0.00**
GRAND TOTAL	**$33,976,321**	**0.00**	**$36,843,494**	**0.00**	**$36,843,494**	**0.00**	**$41,495,833**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Non-Emergency Medical Transportation (NEMT)

Budget Unit: 90561C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	11,579,111	25,264,383		36,843,494
TRF				
Total	11,579,111	25,264,383		36,843,494
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	11,579,111	25,256,787		36,835,898
TRF				
Total	11,579,111	25,256,787		36,835,898
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

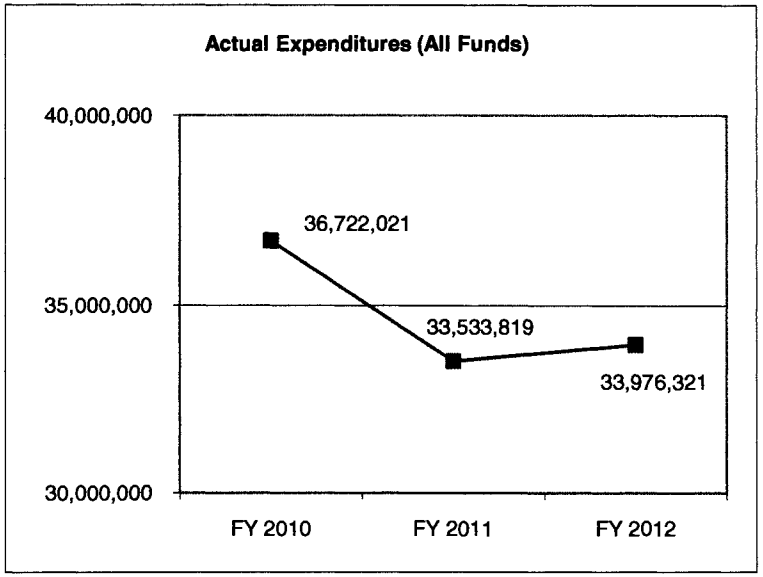
This core request is to provide funding for payments for non-emergency medical transportation.

3. PROGRAM LISTING (list programs included in this core funding)

Non-Emergency Medical Transportation (NEMT)

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	38,444,322	35,759,588	36,843,494	36,843,494
Less Reverted (All Funds)	(271,640)	0	0	N/A
Budget Authority (All Funds)	38,172,682	35,759,588	36,843,494	N/A
Actual Expenditures (All Funds)	36,722,021	33,533,819	33,976,321	N/A
Unexpended (All Funds)	1,450,661	2,225,769	2,867,173	N/A
Unexpended, by Fund:				
General Revenue	32,670	1,095,117	119,482	N/A
Federal	1,417,991	1,130,652	2,747,691	N/A
Other	0	0	0	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) Agency reserve of $128,360 in the Federal Fund.

(2) Expenditures of $122,694 were paid from the Supplemental Pool.

CORE RECONCILIATION DETAIL

STATE
NON-EMERGENCY TRANSPORT

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	11,579,111	25,264,383	0	36,843,494	
		Total	**0.00**	**11,579,111**	**25,264,383**	**0**	**36,843,494**	
DEPARTMENT CORE REQUEST								
		PD	0.00	11,579,111	25,264,383	0	36,843,494	
		Total	**0.00**	**11,579,111**	**25,264,383**	**0**	**36,843,494**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	2311 5929	PD	0.00	0	(7,596)	0	(7,596)	
NET GOVERNOR CHANGES			**0.00**	**0**	**(7,596)**	**0**	**(7,596)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	11,579,111	25,256,787	0	36,835,898	
		Total	**0.00**	**11,579,111**	**25,256,787**	**0**	**36,835,898**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
CORE								
PROFESSIONAL SERVICES	1,236,025	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	**1,236,025**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	32,740,296	0.00	36,843,494	0.00	36,843,494	0.00	36,835,898	0.00
TOTAL - PD	**32,740,296**	**0.00**	**36,843,494**	**0.00**	**36,843,494**	**0.00**	**36,835,898**	**0.00**
GRAND TOTAL	**$33,976,321**	**0.00**	**$36,843,494**	**0.00**	**$36,843,494**	**0.00**	**$36,835,898**	**0.00**
GENERAL REVENUE	**$10,804,484**	**0.00**	**$11,579,111**	**0.00**	**$11,579,111**	**0.00**	**$11,579,111**	**0.00**
FEDERAL FUNDS	**$23,171,837**	**0.00**	**$25,264,383**	**0.00**	**$25,264,383**	**0.00**	**$25,256,787**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Non-Emergency Medical Transportation (NEMT)
Program is found in the following core budget(s): Non-Emergency Medical Transportation (NEMT)

1. What does this program do?

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants who do not have access to free appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. As of November 2005, the service is provided as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on which of the four regions of the state in which the participant resides.

Missouri's program utilizes and builds on the existing transportation networks in the state. Managed Care providers are required to include NEMT in their benefit package.

Where appropriate and possible, the MO HealthNet Division enters into cooperative agreements to provide matching MO HealthNet funds for state and local general revenue already being used to transport MO HealthNet participants to medical services. Participants are required to use public entity transportation when available. When they do so, the payments are made by public entities on a per trip basis. By working with existing governmental entities and established transportation providers, NEMT is provided in a cost-effective manner and governmental agencies are able to meet the needs of their constituency.

The MO HealthNet Division works with the following state and local agencies to provide federal matching funds for general revenue used for NEMT services: the Children's Division for children in state care and custody, the Department of Mental Health, public school districts, St. Louis Metro Call-A-Ride, Kansas City Area Transit Authority, the City of Columbia, City Utilities of Springfield, and the City of Jefferson.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, Federal regulation: 42 CFR 431.53 and 440.170

3. Are there federal matching requirements? If yes, please explain.

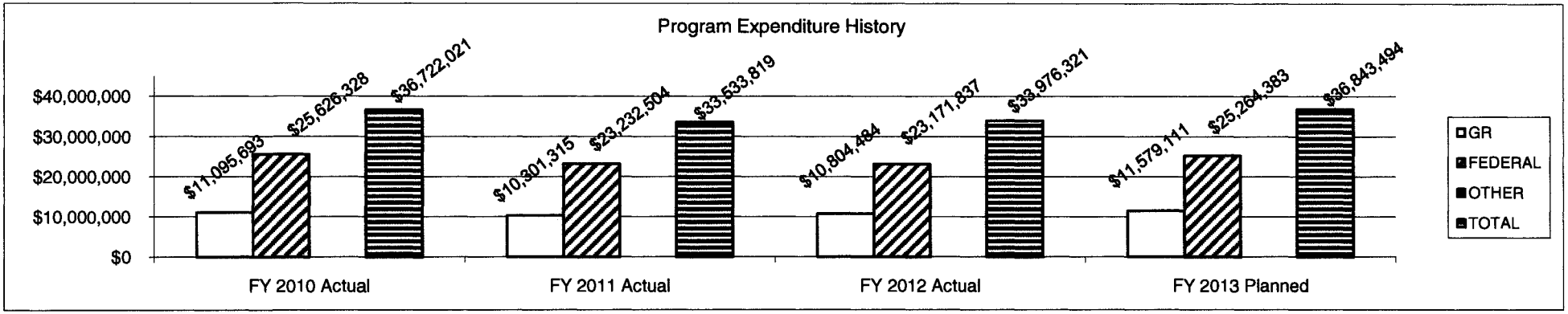
NEMT services receive a federal medical assistance percentage (FMAP) on program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

Services provided through public entities use state and local general revenue to transport MO HealthNet participants. MO HealthNet provides payment of the federal share for these services. These expenditures earn a 50% federal match.

4. Is this a federally mandated program? If yes, please explain.

Yes, state Medicaid programs must assure availability of medically necessary transportation.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

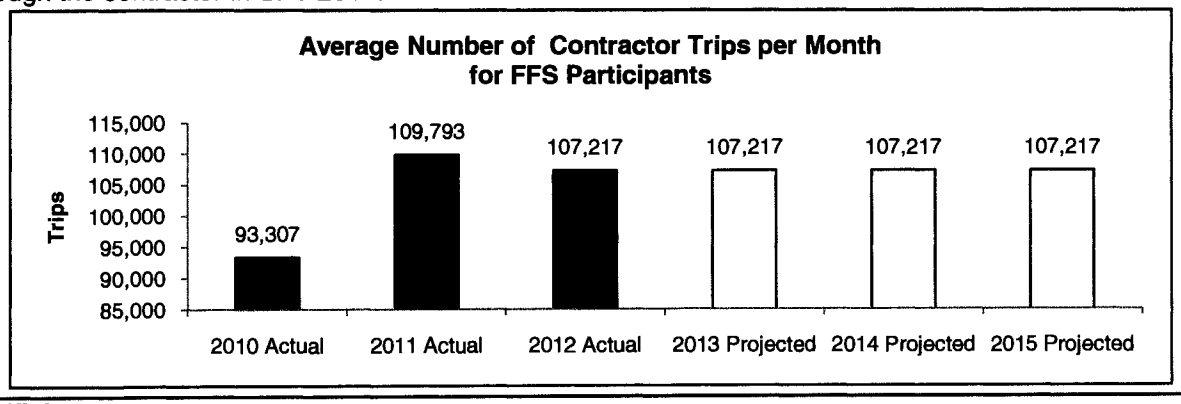


6. What are the sources of the "Other" funds?

N/A

7a. Provide an effectiveness measure.

Provide non-emergency medical transportation to MO HealthNet participants to increase access to health care. There were 107,217 NEMT trips per month provided through the contractor in SFY 2012.

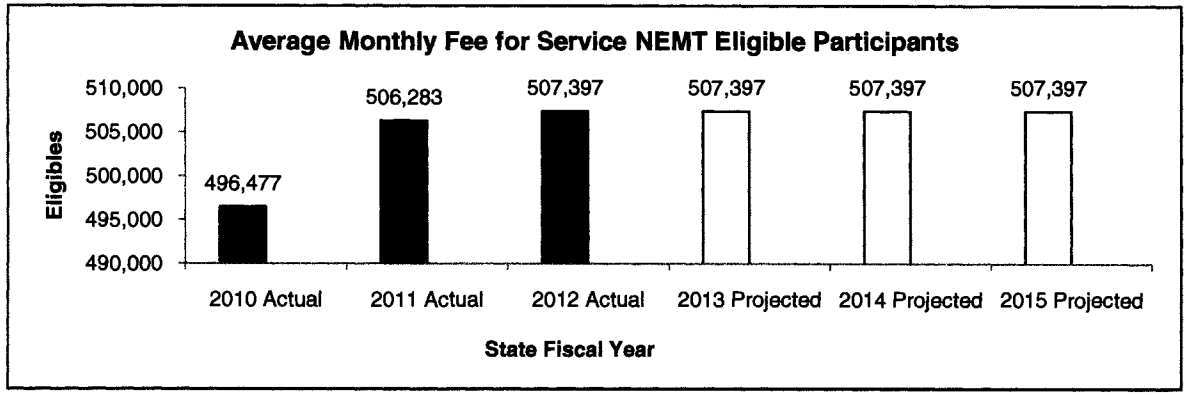


7b. Provide an efficiency measure.

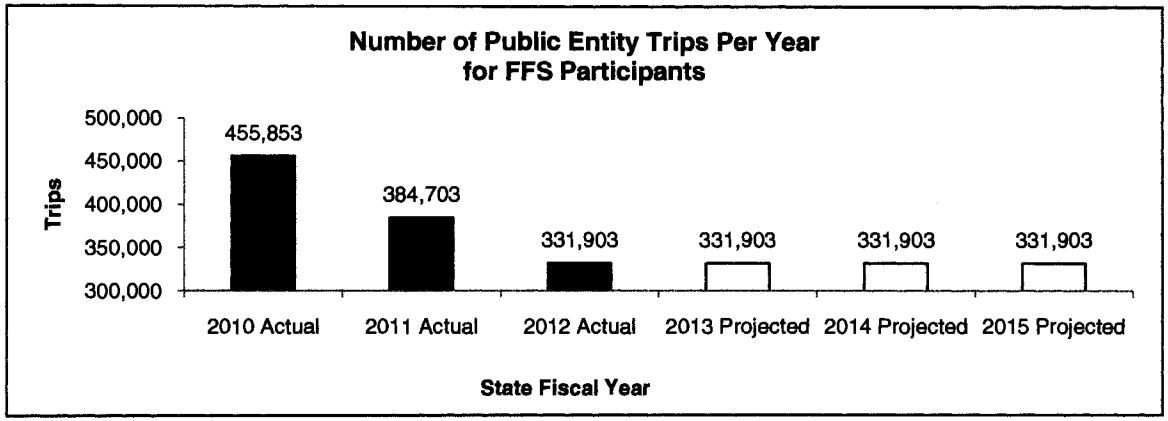
N/A

7c. Provide the number of clients/individuals served, if applicable.

Non-emergency medical transportation is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in the chart.



Public entities have interagency agreements with the MO HealthNet Division to provide access to transportation services for a specific group of participants, such as dialysis patients, persons with disabilities, or the elderly. Public entities use state and local dollars to draw down the federal matching funds.



7d. Provide a customer satisfaction measure, if available.

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

NEMT Complaint to Trip Ratio (Contractor Trips)						
	Actual			Projection		
	SFY 2010	SFY 2011	SFY 2012	SFY 2013	SFY 2014	SFY 2015
Trips	1,119,686	1,228,608	1,286,602	1,286,602	1,286,602	1,286,602
Complaints	2,606	2,613	2,620	2,620	2,620	2,620
% Complaints	<1%	<1%	<1%	<1%	<1%	<1%

NEW DECISION ITEM
RANK: 999

Department: Social Services | **Budget Unit: 90561C**
Division: MO HealthNet
DI Name: NEMT Rate Increase | **DI#: 1886022**

1. AMOUNT OF REQUEST

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD					PSD	1,754,210	2,845,790		4,600,000
TRF					TRF				
Total					Total	1,754,210	2,845,790		4,600,000
FTE					FTE				0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	X	Other: Actuarial Sound Rate Increase		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Funding is needed for the cost increase of the new Non-Emergency Medical Transportation (NEMT) contract. The cost increase is attributed to the increase in SFY14 actuarially sound rates. NEMT services are provided for MO HealthNet participants who do not have access to free transportation to scheduled MO HealthNet covered services.

The purpose of the NEMT program is to ensure non-emergency medical transportation to MO HealthNet participants who do not have access to free appropriate transportation (can use free community resources or other free programs) to scheduled MO HealthNet covered services. The participant is to be provided with the most appropriate mode of transportation. As of November 2005, the service is provided as a direct state plan service. The state contracts with a statewide broker and pays monthly capitation payments for each NEMT participant based on eligibility group and which of the four regions of the state the participant resides. As of December 2012, there are two RFP models out for bid within the state. The two models are based on either a six region or statewide basis. Depending on the evaluation of the RFP's received the DSS plans on awarding a contract by April 2013.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

The non-emergency medical transportation (NEMT) projected need of $4,600,000 is based on the Regional Contract.

SFY 13 NEMT Appropriation	$36,843,494
Additional SFY Need Based on New Contract	$4,600,000
Governor Recommended Total	$41,443,494

	Total	GR	Federal
NEMT	$4,600,000	$1,754,210	$2,845,790

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

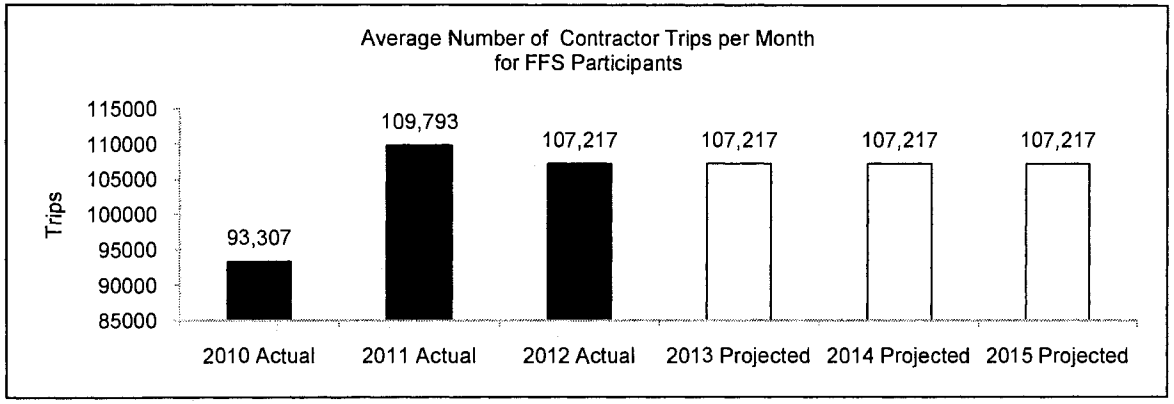
Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions							0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	1,754,210		2,845,790				4,600,000		
Total PSD	**1,754,210**		**2,845,790**		**0**		**4,600,000**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**1,754,210**	**0.0**	**2,845,790**	**0.0**	**0**	**0.0**	**4,600,000**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

Provide non-emergency medical transportation (NEMT) to MO HealthNet participants to increase access to health care. There were 107,217 NEMT trips per month provided through the contractor in SFY 2012.

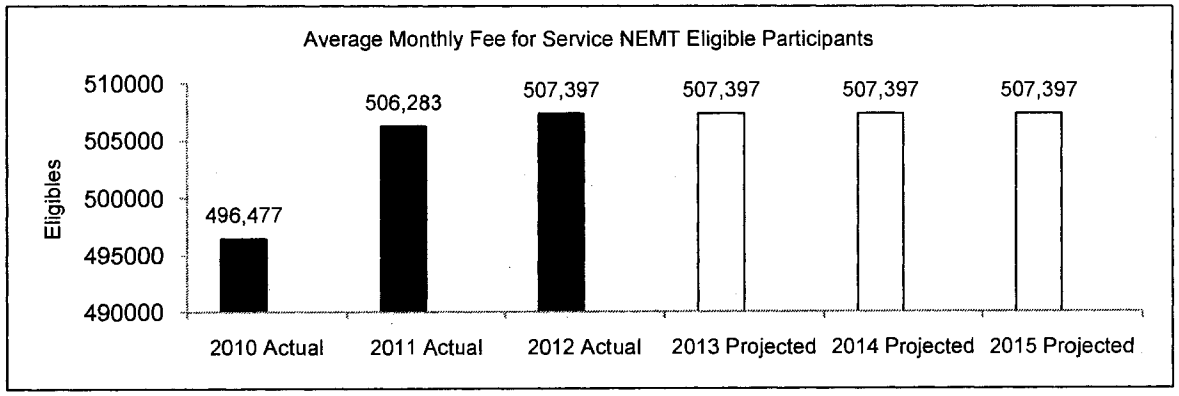


6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

Non-emergency medical transportation (NEMT) is available to MO HealthNet participants who are eligible under a federal aid category. Those participating under a state only funded category or under a Title XXI expansion category are not eligible for NEMT services. Participants in Managed Care receive the NEMT benefit but are not included in this chart.



6d. Provide a customer satisfaction measure, if available.

The proportion of complaints to the number of trips provided by the contractor remains below 1%.

NEMT Complaint to Trip Ratio (Contractor Trips)						
	Actual			Projection		
	SFY 2010	SFY 2011	SFY 2012	SFY 2013	SFY 2014	SFY 2015
Trips	1,119,686	1,228,608	1,286,602	1,286,602	1,286,602	1,286,602
Complaints	2,606	2,613	2,620	2,620	2,620	2,620
% Complaint	<1%	<1%	<1%	<1%	<1%	<1%

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NON-EMERGENCY TRANSPORT								
NEMT - 1886023								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	4,600,000	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**4,600,000**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$4,600,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$1,754,210**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$2,845,790**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

Ambulance Service Reimbursement Allowance Transfer

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
AMBULANCE SRV REIM ALLOW TRF								
CORE								
FUND TRANSFERS								
GENERAL REVENUE	2,501,044	0.00	9,069,225	0.00	9,069,225	0.00	9,069,225	0.00
TOTAL - TRF	2,501,044	0.00	9,069,225	0.00	9,069,225	0.00	9,069,225	0.00
TOTAL	**2,501,044**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**
GRAND TOTAL	**$2,501,044**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Ambulance Service Reimbursement Allowance Transfer

Budget Unit 90583C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			9,069,225	9,069,225
Total	0	0	9,069,225	9,069,225
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Ambulance Service Reimbursement Allowance (0958)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			9,069,225	9,069,225
Total	0	0	9,069,225	9,069,225
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

3. PROGRAM LISTING (list programs included in this core funding)

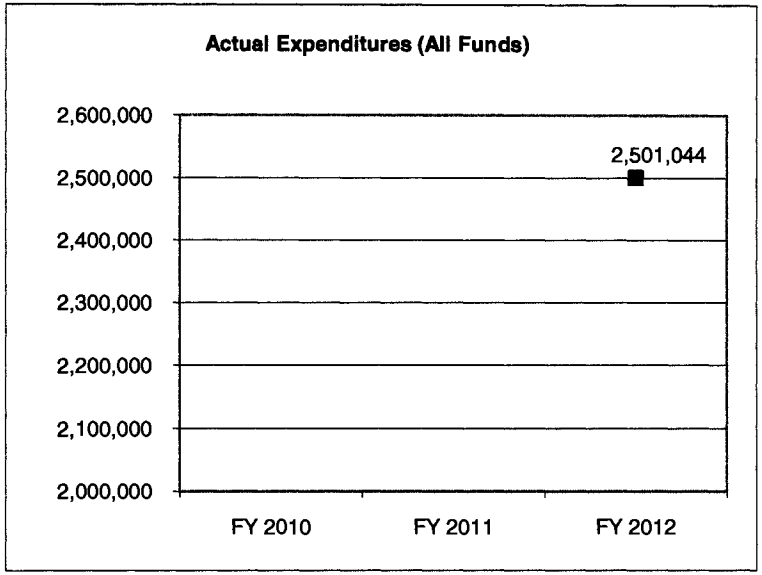
GR Ambulance Service Reimbursement Allowance Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Ambulance Service Reimbursement Allowance Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	9,069,225	9,069,225	9,069,225	9,069,225
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	9,069,225	9,069,225	9,069,225	N/A
Actual Expenditures (All Funds)	0	0	2,501,044	N/A
Unexpended (All Funds)	9,069,225	9,069,225	6,568,181	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	9,069,225	9,069,225	6,568,181	N/A
			(1)	(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2012: Ambulance Service Reimbursement Allowance Program began in FY 2012 (October 2011).

(2) FY 2013: Estimated appropriation or "E" status was removed.

STATE
AMBULANCE SRV REIM ALLOW TRF

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	9,069,225	0	0	9,069,225	
	Total	**0.00**	**9,069,225**	**0**	**0**	**9,069,225**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	9,069,225	0	0	9,069,225	
	Total	**0.00**	**9,069,225**	**0**	**0**	**9,069,225**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	9,069,225	0	0	9,069,225	
	Total	**0.00**	**9,069,225**	**0**	**0**	**9,069,225**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
AMBULANCE SRV REIM ALLOW TRF								
CORE								
TRANSFERS OUT	2,501,044	0.00	9,069,225	0.00	9,069,225	0.00	9,069,225	0.00
TOTAL - TRF	**2,501,044**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**
GRAND TOTAL	**$2,501,044**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**
GENERAL REVENUE	**$2,501,044**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Ambulance Service Reimbursement Allowance Transfer
Program is found in the following core budget(s): Ambulance Service Reimbursement Allowance Transfer

1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

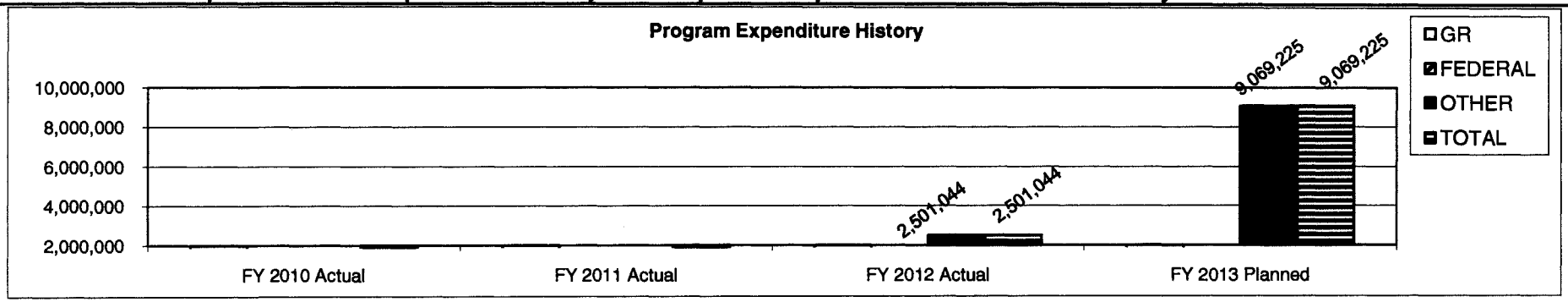
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Ambulance Service Reimbursement Allowance (0958)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program

GR Ambulance Service
Reimbursement Allowance
Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR AMBULANCE SRV REIM ALL TRF								
CORE								
FUND TRANSFERS								
AMBULANCE SERVICE REIMB ALLOW	2,501,044	0.00	9,069,225	0.00	9,069,225	0.00	9,069,225	0.00
TOTAL - TRF	2,501,044	0.00	9,069,225	0.00	9,069,225	0.00	9,069,225	0.00
TOTAL	**2,501,044**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**
GRAND TOTAL	**$2,501,044**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR Ambulance Service Federal Reimbursment Allowance Transfer

Budget Unit 90583C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	9,069,225		0	9,069,225
Total	9,069,225	0	0	9,069,225
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	9,069,225		0	9,069,225
Total	9,069,225	0	0	9,069,225
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

3. PROGRAM LISTING (list programs included in this core funding)

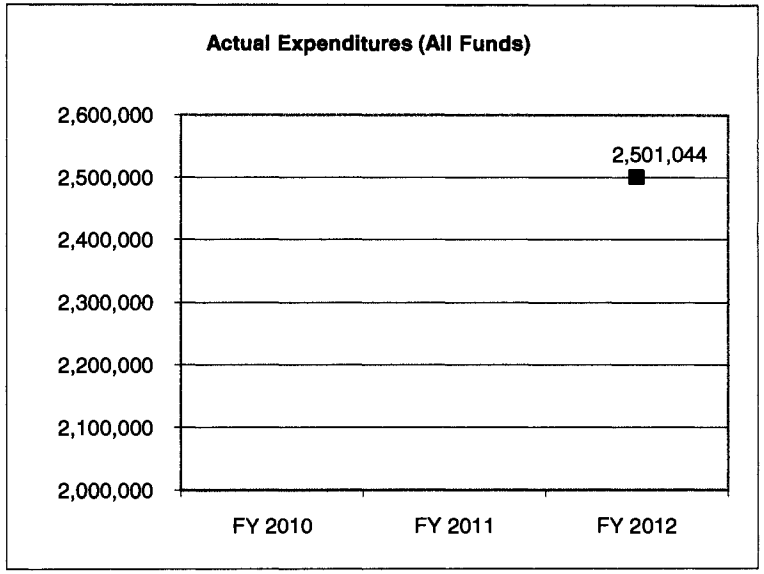
GR Ambulance Service Reimbursement Allowance Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR Ambulance Service Federal Reimbursment Allowance Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	9,069,225	9,069,225	9,069,225	9,069,225
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	9,069,225	9,069,225	9,069,225	N/A
Actual Expenditures (All Funds)	0	0	2,501,044	N/A
Unexpended (All Funds)	9,069,225	9,069,225	6,568,181	N/A
Unexpended, by Fund:				
General Revenue	9,069,225	9,069,225	6,568,181	N/A
Federal	0	0	0	N/A
Other	0	0	-	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2012: Ambulance Service Reimbursement Allowance Program began in FY 2012 (October 2011).

CORE RECONCILIATION DETAIL

STATE
GR AMBULANCE SRV REIM ALL TRF

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	9,069,225	9,069,225	
	Total	**0.00**	**0**	**0**	**9,069,225**	**9,069,225**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	9,069,225	9,069,225	
	Total	**0.00**	**0**	**0**	**9,069,225**	**9,069,225**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	9,069,225	9,069,225	
	Total	**0.00**	**0**	**0**	**9,069,225**	**9,069,225**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR AMBULANCE SRV REIM ALL TRF								
CORE								
TRANSFERS OUT	2,501,044	0.00	9,069,225	0.00	9,069,225	0.00	9,069,225	0.00
TOTAL - TRF	**2,501,044**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**	**9,069,225**	**0.00**
GRAND TOTAL	**$2,501,044**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$2,501,044**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**	**$9,069,225**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: GR Ambulance Service Federal Reimburse Alowance Transfer
Program is found in the following core budget(s): GR Ambulance Service Fed Reimburse Alow -Transfer

1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

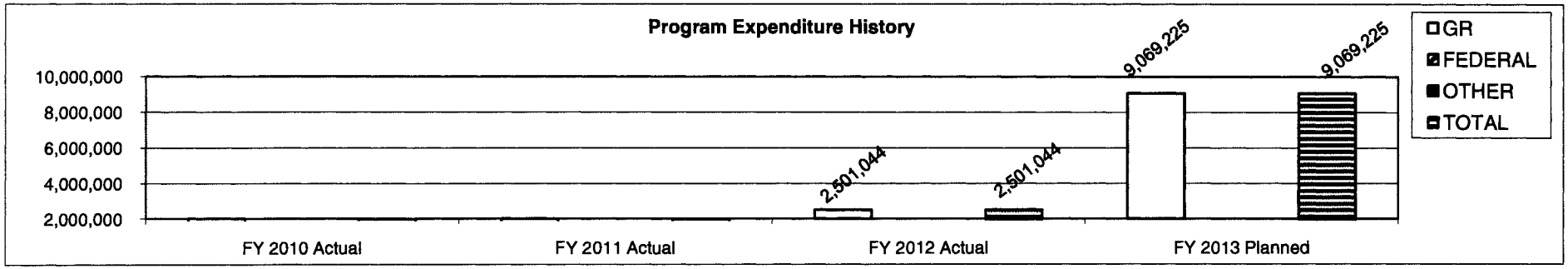
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program is in the Rehab and Specialty appropriation.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the Ambulance Federal Reimbursement Allowance program. The ambulance program

Managed Care

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
CORE								
EXPENSE & EQUIPMENT								
GENERAL REVENUE	1,139,189	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	1,139,189	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	293,559,224	0.00	291,637,169	0.00	292,783,031	0.00	286,921,547	0.00
TITLE XIX-FEDERAL AND OTHER	628,838,044	0.00	705,693,852	0.00	705,693,852	0.00	692,261,365	0.00
FED BUDGET STABLZ FMAP EXTEN	62,061,177	0.00	0	0.00	0	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	86,425,908	0.00	108,629,699	0.00	93,533,441	0.00	93,533,441	0.00
MO HEALTHNET MANAGED CARE ORG	0	0.00	385,067	0.00	0	0.00	0	0.00
HEALTH INITIATIVES	7,813,428	0.00	8,055,080	0.00	8,055,080	0.00	8,055,080	0.00
HEALTHY FAMILIES TRUST	4,447,110	0.00	4,447,110	0.00	0	0.00	4,000,000	0.00
LIFE SCIENCES RESEARCH TRUST	7,272,544	0.00	7,272,544	0.00	7,272,544	0.00	6,272,544	0.00
TOTAL - PD	1,090,417,435	0.00	1,126,120,521	0.00	1,107,337,948	0.00	1,091,043,977	0.00
TOTAL	**1,091,556,624**	**0.00**	**1,126,120,521**	**0.00**	**1,107,337,948**	**0.00**	**1,091,043,977**	**0.00**
Medicaid Primary Care Rate Inc - 1886014								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	15,765,311	0.00	15,765,311	0.00
TOTAL - PD	0	0.00	0	0.00	15,765,311	0.00	15,765,311	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**15,765,311**	**0.00**	**15,765,311**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	19,928,435	0.00	16,928,435	0.00
TOTAL - PD	0	0.00	0	0.00	19,928,435	0.00	16,928,435	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**19,928,435**	**0.00**	**16,928,435**	**0.00**
Managed Care Inflation Incr. - 1886013								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	23,965,106	0.00	15,991,462	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	38,435,898	0.00	32,581,900	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Managed Care Inflation Incr. - 1886013								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	4,092,766	0.00
TOTAL - PD	0	0.00	0	0.00	62,401,004	0.00	52,666,128	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**62,401,004**	**0.00**	**52,666,128**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	3,923,618	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,923,618	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**3,923,618**	**0.00**
Foster Children Medicaid - 1886025								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	3,741,924	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	3,741,924	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**3,741,924**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(3,517,528)	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	(1,225,502)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(4,743,030)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(4,743,030)**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	7,113,282	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	15,563,308	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	2,480,299	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	25,156,889	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**25,156,889**	**0.00**
GRAND TOTAL	**$1,091,556,624**	**0.00**	**$1,126,120,521**	**0.00**	**$1,205,432,698**	**0.00**	**$1,204,483,252**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Managed Care

Budget Unit: 90551C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	292,783,031	705,693,852	108,861,065	1,107,337,948	PSD	286,921,547	692,261,365	111,861,065	1,091,043,977
TRF					TRF				
Total	292,783,031	705,693,852	108,861,065	1,107,337,948	Total	286,921,547	692,261,365	111,861,065	1,091,043,977
FTE				0.00	FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*	*Est. Fringe*	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: MO HealthNet Managed Care Org Reimb Allow Fund (0160)
Health Initiatives Fund (HIF) (0275)
Federal Reimbursement Allowance Fund (FRA) (0142)
Healthy Families Trust Fund (0625)
Life Sciences Research Trust Fund(0763)

Other Funds: Health Initiatives Fund (HIF) (0275)
Federal Reimbursement Allowance Fund (FRA) (0142)
Life Sciences Research Trust Fund(0763)

2. CORE DESCRIPTION

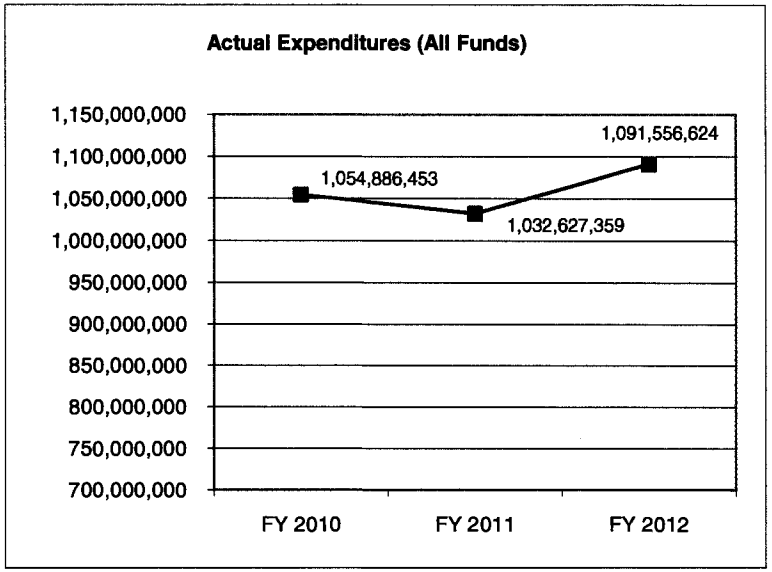
This core request is for the continued funding of the Managed Care program to provide health care services to the MO HealthNet managed care population.

3. PROGRAM LISTING (list programs included in this core funding)

Managed Care

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	1,055,128,105	1,068,925,731	1,148,266,112	1,126,120,521
Less Reverted (All Funds)	(241,652)	(5,241,652)	(8,692,652)	N/A
Budget Authority (All Funds)	1,054,886,453	1,063,684,079	1,139,573,460	N/A
Actual Expenditures (All Funds)	1,054,886,453	1,032,627,359	1,091,556,624	N/A
Unexpended (All Funds)	0	31,056,720	48,016,836	N/A
Unexpended, by Fund:				
General Revenue	0	0	728,226	N/A
Federal	0	31,056,720	40,181,076	N/A
Other	0	0	7,107,534	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: Expenditures of $17,865,128 were paid from the Supplemental Pool.
"E" increase of $3,000,305 in the Managed Care Organization Reimbursement Allowance Fund appropriation.

(2) FY 2011: Agency reserve of $8,734,377 in federal funds; Expenditures of $4,718,850 were paid from the Supplemental Pool.

(3) FY 2012: "E" appropriation on MO HealthNet Managed Care Organization Reimbursement Allowance removed in FY 2013, appropriation increased to $385,067.

(4) FY 2013: Estimated appropriation or "E" status removed.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)

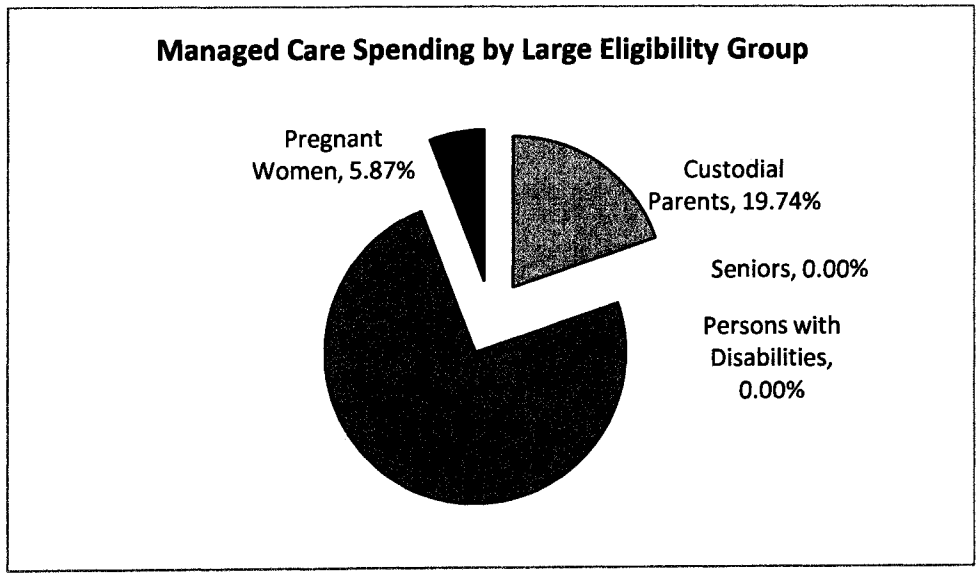
	*Managed Care PMPM***	*Acute Care PMPM****	*Total PMPM*	*Managed Care Percentage of Acute*	*Managed Care Percentage of Total*
PTD	$0.00	$990.49	$1,691.92	0.00%	0.00%
Seniors	$0.00	$324.66	$1,311.01	0.00%	0.00%
Custodial Parents	$210.41	$439.91	$455.95	47.83%	46.15%
Children*	$122.09	$247.84	$280.12	49.26%	43.58%
Pregnant Women	$180.40	$546.42	$555.64	33.01%	32.47%

Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data). Does not include add-on payments.

* *CHIP eligibles not included.*

** *Includes EPSDT services.*

*** *Acute Care PMPM includes Managed Care and all Managed Care carve out services, such as Pharmacy. See 4th paragraph on the right for complete list of services included in Acute Care PMPM.*



Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data).

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for managed care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, pharmacy, managed care payments, Medicare co-pay/deductibles, dental and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the managed care PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for managed care. It provides a snapshot of what eligibility groups are enrolled in managed care, as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

STATE
MANAGED CARE

5. CORE RECONCILIATION DETAIL

			Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES									
			PD	0.00	291,637,169	705,693,852	128,789,500	1,126,120,521	
			Total	**0.00**	**291,637,169**	**705,693,852**	**128,789,500**	**1,126,120,521**	
DEPARTMENT CORE ADJUSTMENTS									
Core Reduction	856	0803	PD	0.00	0	0	(385,067)	(385,067)	Core reduction of FY 2013 one time MCO fund from now obsolete managed care tax. Corresponding GR pickup NDI.
Core Reduction	1472	0198	PD	0.00	0	0	(15,096,258)	(15,096,258)	Core reduction of one time FRA fund appropriated for FY 2013 FMAP adjustment. Corresponding GR pickup NDI.
Core Reduction	1739	3711	PD	0.00	0	0	(4,447,110)	(4,447,110)	Core reduction of Healthy Family Trust Fund (HFTF) tobacco proceeds- based on revenue estimates. Corresponding GR pickup NDI.
Core Reallocation	1471	1783	PD	0.00	1,145,862	0	0	1,145,862	Core Reallocation of DYS & CD Medical.
NET DEPARTMENT CHANGES				**0.00**	**1,145,862**	**0**	**(19,928,435)**	**(18,782,573)**	
DEPARTMENT CORE REQUEST									
			PD	0.00	292,783,031	705,693,852	108,861,065	1,107,337,948	
			Total	**0.00**	**292,783,031**	**705,693,852**	**108,861,065**	**1,107,337,948**	

CORE RECONCILIATION DETAIL

STATE
MANAGED CARE

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1739 3711	PD	0.00	0	0	4,000,000	4,000,000	Core reduction of Healthy Family Trust Fund (HFTF) tobacco proceeds- based on revenue estimates. Corresponding GR pickup NDI.
Core Reduction	2313 1784	PD	0.00	0	(3,923,618)	0	(3,923,618)	
Core Reduction	2503 7166	PD	0.00	0	0	(1,000,000)	(1,000,000)	
Core Reallocation	1982 1784	PD	0.00	0	(9,508,869)	0	(9,508,869)	
Core Reallocation	1982 1783	PD	0.00	(5,861,484)	0	0	(5,861,484)	
NET GOVERNOR CHANGES			**0.00**	**(5,861,484)**	**(13,432,487)**	**3,000,000**	**(16,293,971)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	286,921,547	692,261,365	111,861,065	1,091,043,977	
		Total	**0.00**	**286,921,547**	**692,261,365**	**111,861,065**	**1,091,043,977**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MANAGED CARE								
CORE								
PROFESSIONAL SERVICES	1,139,189	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	**1,139,189**	**0.00**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**
PROGRAM DISTRIBUTIONS	1,090,417,435	0.00	1,126,120,521	0.00	1,107,337,948	0.00	1,091,043,977	0.00
TOTAL - PD	**1,090,417,435**	**0.00**	**1,126,120,521**	**0.00**	**1,107,337,948**	**0.00**	**1,091,043,977**	**0.00**
GRAND TOTAL	**$1,091,556,624**	**0.00**	**$1,126,120,521**	**0.00**	**$1,107,337,948**	**0.00**	**$1,091,043,977**	**0.00**
GENERAL REVENUE	**$294,698,413**	**0.00**	**$291,637,169**	**0.00**	**$292,783,031**	**0.00**	**$286,921,547**	**0.00**
FEDERAL FUNDS	**$690,899,221**	**0.00**	**$705,693,852**	**0.00**	**$705,693,852**	**0.00**	**$692,261,365**	**0.00**
OTHER FUNDS	**$105,958,990**	**0.00**	**$128,789,500**	**0.00**	**$108,861,065**	**0.00**	**$111,861,065**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Managed Care
Program is found in the following core budget(s): Managed Care

1. What does this program do?

The MO HealthNet Division operates an HMO-style managed care program, MO HealthNet Managed Care. MO HealthNet Managed Care health plans contract with the state and are paid a monthly capitation payment for providing services for each enrollee. Participation in MO HealthNet Managed Care is mandatory for certain MO HealthNet eligibility groups within the regions in operation. The mandatory groups are: MO HealthNet for Families-Adults and Children, MO HealthNet for Children, Refugees, MO HealthNet for Pregnant Women, Children in State Care and Custody, and Children's Health Insurance Program (CHIP). Those participants who receive Supplemental Security Income (SSI), meet the SSI medical disability definition, or get adoption subsidy benefits may stay in MO HealthNet Managed Care or may choose to receive services on a fee-for-service basis. The MO HealthNet Managed Care program has been operating in the Eastern Region since September 1, 1995, in the Central Region since March 1, 1996, and in the Western Region since January 1, 1997. Effective January 1, 2008 the state introduced the MO HealthNet Managed Care program in seventeen counties contiguous to the existing three MO HealthNet Managed Care regions.

The MO HealthNet Managed Care program is subject to an approved federal 1915(b) waiver and an approved CHIP State Plan Amendment. These include a cost projection and a budget neutrality projection. An independent evaluation of the MO HealthNet Managed Care program is required with respect to access to care and quality of services that must be submitted to the Centers for Medicare and Medicaid Services. At the end of the waiver period or at prescribed intervals within the waiver period, the state must demonstrate that their waiver cost projections and budget neutrality projections are reasonable and consistent with statute, regulation and guidance.

Objectives of the MO HealthNet Managed Care program include cost effectiveness, quality of care, contract compliance, and member satisfaction.

Services: In MO HealthNet Managed Care most enrollees receive all the services that the fee-for-service program offers. Examples of services included in the capitation payment paid to health plans are: hospital, physician, emergency medical services, EPSDT services, family planning services, dental, optical, audiology, personal care, adult day health care, and mental health services. Certain services are provided on a fee-for-service basis outside of the capitation payment such as pharmacy services, transplants, and school-based therapy. Department of Health and Senior Services testing services (tests on newborns), certain mental health services, including ICF/MR, community psychiatric rehabilitation services, CSTAR services, smoking cessation, and mental health services for children in care and custody are also offered on a fee-for-service basis.

Improvements Over Fee-For-Service: MO HealthNet Managed Care gives MO HealthNet participants a number of advantages over traditional fee-for-service MO HealthNet. Each MO HealthNet Managed Care participant chooses a MO HealthNet Managed Care health plan and a primary care provider from within the network of the health plan. Managed Care participants are guaranteed access to primary care and other services as needed.

MO HealthNet Managed Care health plans must ensure that routine exams are scheduled within thirty days, urgent care within twenty-four hours, and emergency services must be available at all times. MO HealthNet Managed Care health plans must ensure that children receive all EPSDT exams (complete physicals on a regular schedule), are fully immunized, and receive any medically necessary service. MO HealthNet Managed Care health plans are required to provide case management to ensure that enrollee services, especially children's and pregnant women's are properly coordinated.

MO HealthNet Managed Care provides the means to control costs, but more importantly provides the means to ensure access, manage and coordinate benefits, and monitor quality of care and outcomes.

Quality Assessment: The purpose of quality assessment is to assess the quality of services in the MO HealthNet Managed Care program. Quality assessment utilizes a variety of methods and tools to measure outcomes of services provided. The goal is to monitor health care services provided to MO HealthNet Managed Care members by the MO HealthNet Managed Care health plans, and comply with federal, state and contract requirements. The MO HealthNet Managed Care health plans must meet program standards for quality improvement, systems, member services, provider services, recordkeeping, organizational structure, adequacy of personnel, access standards, and data reporting as outlined in the MO HealthNet Managed Care contracts. Quality assessment measures are taken from the Health Plan Employer and Data Information Set (HEDIS) and other internally developed measurements. HEDIS is a strong public/private effort that includes a standardized set of measures to assess and encourage the continual improvement in the quality of health care. Specifically, Medicaid HEDIS includes additional quality and access measures which respond more directly to needs of women and children who make up the majority of MO HealthNet Managed Care participants. HEDIS is intended to be used collaboratively by the state agency and the MO HealthNet Managed Care health plans to:

- Provide the state agency with information on the performance of the contracted MO HealthNet Managed Care health plans;
- Assist health plans in quality improvement efforts;
- Support emerging efforts to inform MO HealthNet clients about managed care plan performance; and
- Promote standardization of health plan reporting across the public and private sectors.

An annual report is provided with significant outcomes measured including the following:

- Member complaints and grievances including actions taken and reasons for members changing MO HealthNet Managed Care health plans;
- Utilization review including inpatient/outpatient visits for both physical and mental health;
- Outcome indicators such as diabetes, asthma, low birth weight and mortality;
- EPSDT activities (children's health services) such as the number of well child visits provided;
- Prenatal activities and services provided; and
  Behavioral Health activities and services provided.

National Committee for Quality Assurance (NCQA) Accreditation: Effective October 1, 2011, the Managed Care health plans must be NCQA accredited at a level of "accredited" or better for the MO HealthNet product. The MCOs must maintain such accreditation thereafter and throughout the duration of the contract. The state of Missouri will require all future MO HealthNet Managed Care contractors to be NCQA accredited.

Contract Compliance: Along with quality assessment, monitoring MO HealthNet Managed Care health plan compliance to contractual requirements is a primary method to measure whether the goals of managed care are being met. Contractual compliance monitoring begins with the issuance of the Request for Proposal (RFP) and continues throughout the contract. Contract compliance is measured through a variety of methods. The MO HealthNet Division has a relationship with the Missouri Department of Insurance, Financial Institutions and Professional Registration to analyze MO HealthNet Managed Care health plan provider networks in accordance with 20 CSR 400-7.095 to ensure that the network is adequate to meet the needs of enrollees.

Member Satisfaction: Member satisfaction with the MO HealthNet Managed Care health plans is another method for measuring success of the MO HealthNet Managed Care program. An initial measurement is how many members actually choose their MO HealthNet Managed Care health plan versus MO HealthNet assigning them to MO HealthNet Managed Care health plans. MO HealthNet Managed Care has a high voluntary choice percentage. Since the inception of the MO HealthNet Managed Care program, approximately 10% of enrollees are randomly assigned. Reporting has been developed to continuously monitor how many participants initially choose their MO HealthNet Managed Care health plans as well as which health plans are chosen. Other reporting monitors participants' transfer requests among MO HealthNet Managed Care health plans to identify health plans that have particular problems keeping their participants. MO HealthNet also looks at the number of calls coming into our participant and provider hotlines to assess problem areas with health plans. MO HealthNet Managed Care health plans submit enrollee satisfaction data to the Department of Health and Senior Services in accordance with 19 CSR 10-5.010.

Managed Care Rebid: MO HealthNet recently awarded contracts to three health plans to provide services in the three MO HealthNet Managed Care regions. The new contracts were effective July 1, 2012.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.166; Federal law: Social Security Act Sections 1902(a)(4), 1903(m), 1915(b), 1932; Federal Regulations: 42 CFR 438 and 412.106.

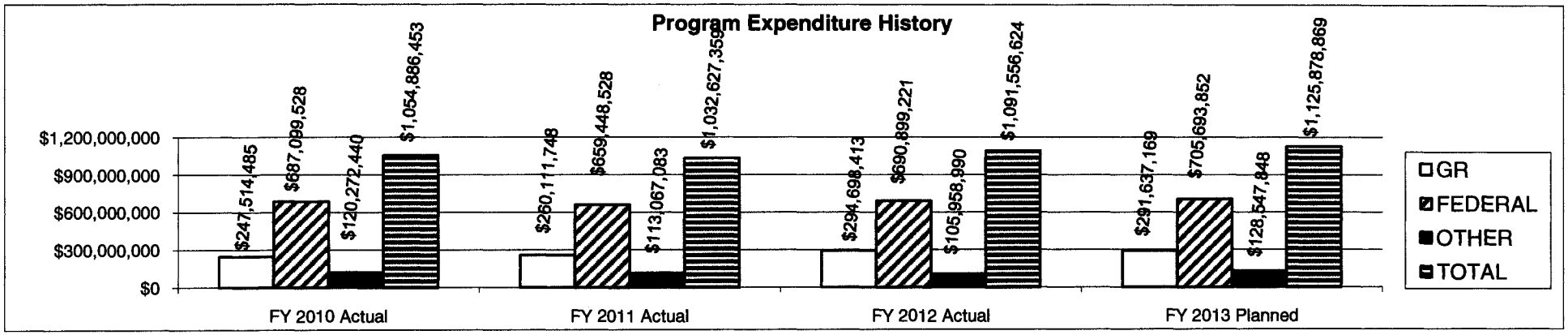
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

MO HealthNet Managed Care covers most services available to fee-for-service participants. As such, both mandatory and non-mandatory services are included. Services not included in MO HealthNet Managed Care are available on a fee-for-service basis.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



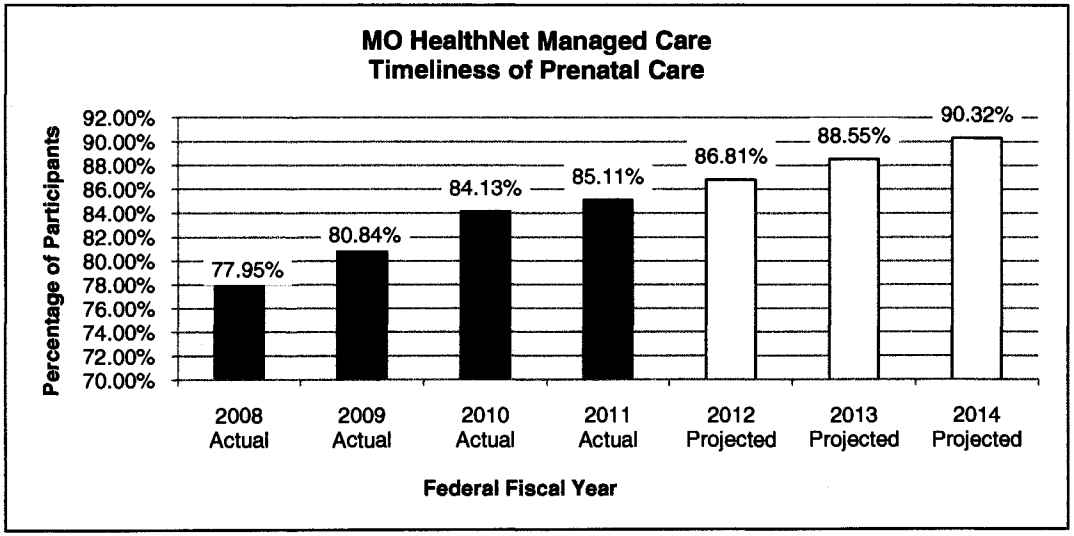
FY13 planned is net of reverted. Reverted: $241,652 Other Funds .

6. What are the sources of the "Other" funds?

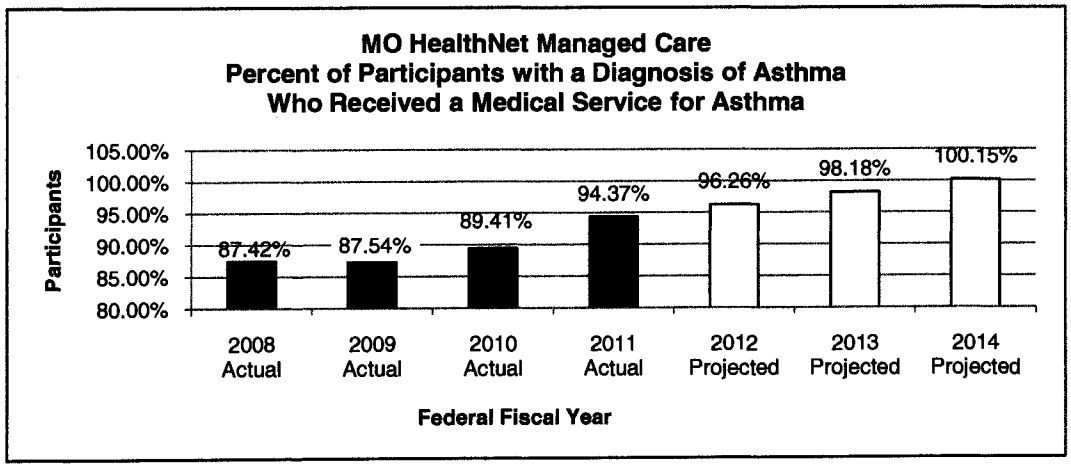
Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Medicaid Managed Care Organization Reimbursement Allowance Fund (0160), Healthy Families Trust (0625) and for FY 11 through FY 13, Life Sciences Research Trust Fund (0763).

7a. Provide an effectiveness measure.

Prenatal care is important for monitoring the progress of pregnancy and to identify risk factors for the mother or baby before they become serious and lead to poor outcomes and more expensive health care costs. The diagnosis and treatment of chronic conditions also reduces more expensive health care costs that could result when conditions are left untreated.



Effectiveness Measure 1: Increase the percentage of women receiving early prenatal care. The percentage of women who received prenatal care within the first trimester or within 42 days of enrollment in a health plan was 85.11% in 2011.

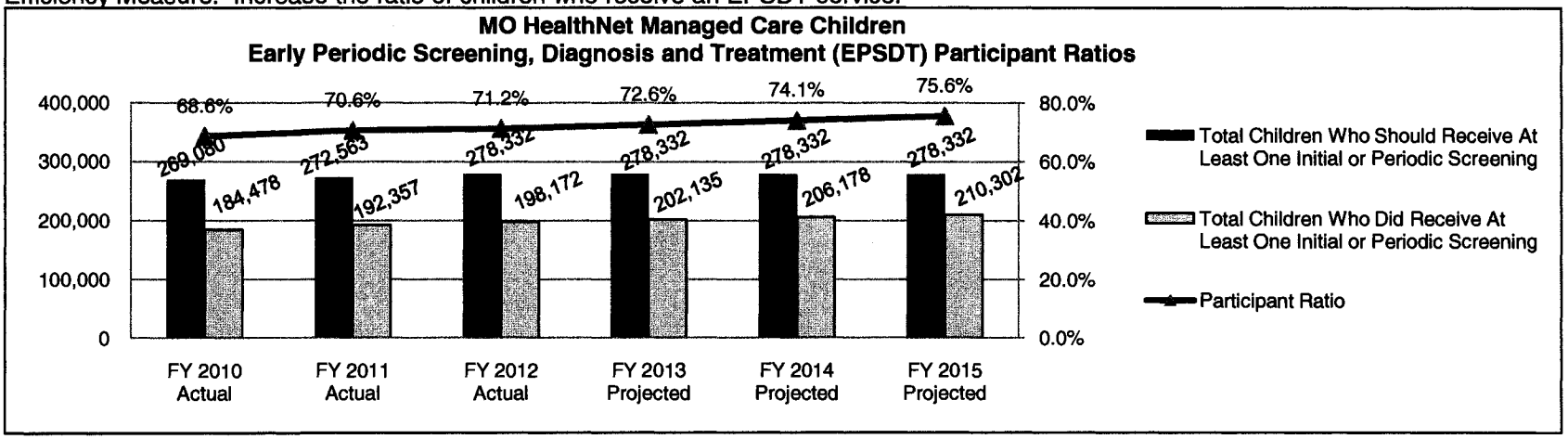


Effectiveness Measure 2: Increase the percentage of participants with chronic conditions who receive treatment for their condition. The percentage of participants with a diagnosis of asthma who received a medical service for asthma was 94.37% in 2011

7b. Provide an efficiency measure.

The Early Periodic Screening, Diagnosis and Treatment (EPSDT) program is a comprehensive, primary and preventive health care program for MO HealthNet eligible children and youth under the age of 21 years. The program provides early and periodic medical/dental screenings, diagnosis and treatment to correct or ameliorate defects and chronic conditions found during the screening. The chart below does not include CHIP children.

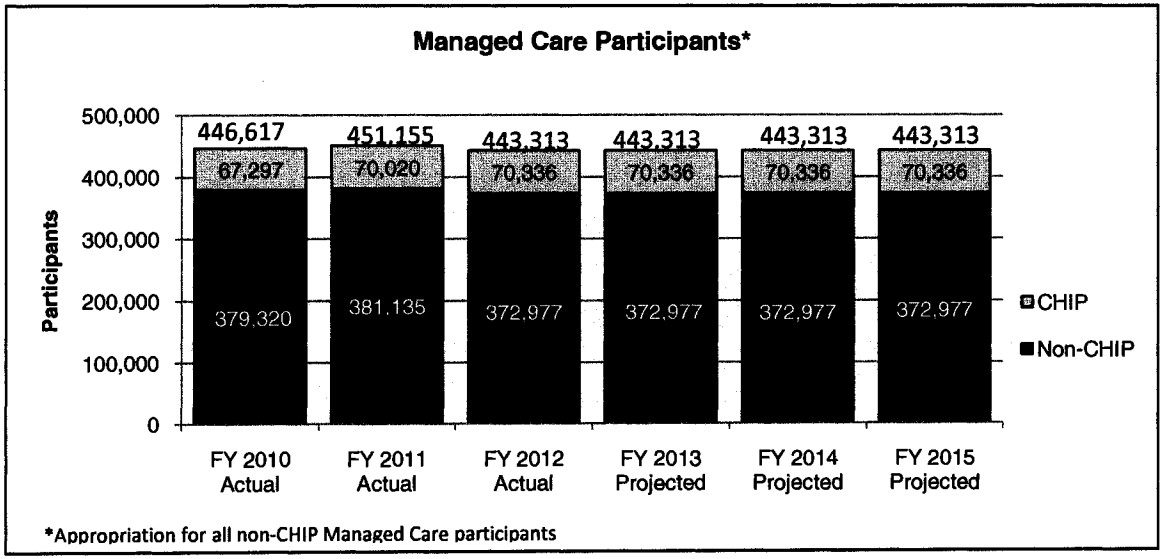
Efficiency Measure: Increase the ratio of children who receive an EPSDT service.



7c. Provide the number of clients/individuals served, if applicable.

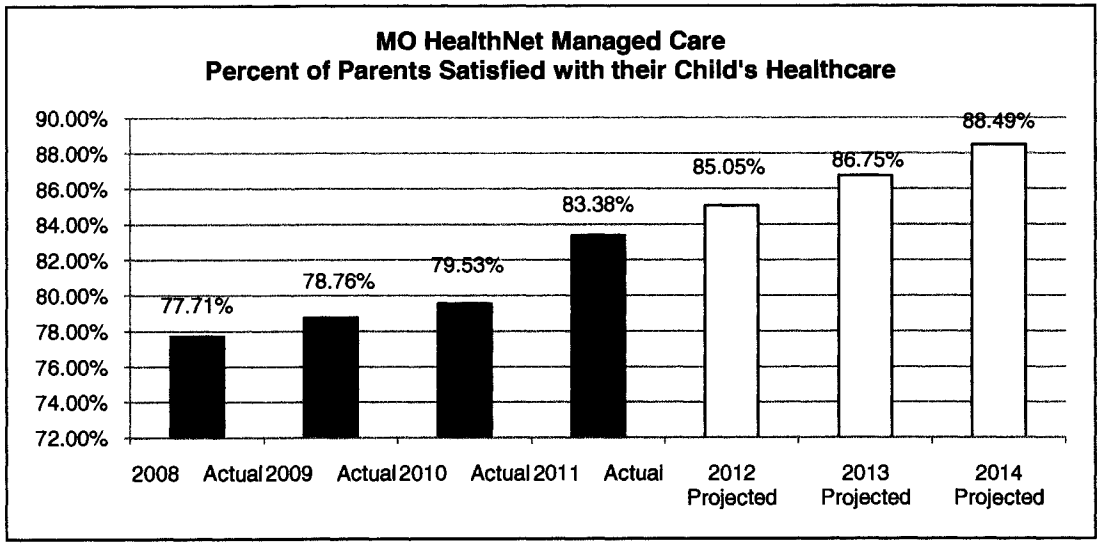
Participation in MO HealthNet Managed Care for those areas of the state where it is available is mandatory for these eligibility categories:

* MO HealthNet for Families;
* MO HealthNet for Kids;
* Refugees;
* MO HealthNet for Pregnant Women;
* Children in state care and custody; and
* CHIP.



7d. Provide a customer satisfaction measure, if available.

When parents were asked if they were satisfied with the health care their child received through their MO HealthNet Managed Care plan, nearly 80% responded that they were satisfied in 2010.



Customer Satisfaction Measure: Increase the percentage of parents who were satisfied with the health care their child received through MO HealthNet Managed Care.

Hospital Care

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
CORE								
EXPENSE & EQUIPMENT								
TITLE XIX-FEDERAL AND OTHER	10,170,251	0.00	215,000	0.00	215,000	0.00	215,000	0.00
FEDERAL REIMBURSMENT ALLOWANCE	2,463,035	0.00	215,000	0.00	215,000	0.00	215,000	0.00
HEALTHY FAMILIES TRUST	997,428	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	13,630,714	0.00	430,000	0.00	430,000	0.00	430,000	0.00
PROGRAM-SPECIFIC								
GENERAL REVENUE	24,376,590	0.00	20,943,641	0.00	21,998,624	0.00	21,998,624	0.00
TITLE XIX-FEDERAL AND OTHER	498,119,979	0.00	513,645,249	0.00	513,645,249	0.00	509,059,638	0.00
UNCOMPENSATED CARE FUND	33,683,444	0.00	33,848,436	0.00	33,848,436	0.00	33,848,436	0.00
THIRD PARTY LIABILITY COLLECT	1,062,735	0.00	1,062,735	0.00	0	0.00	0	0.00
FEDERAL REIMBURSMENT ALLOWANCE	181,349,496	0.00	188,902,995	0.00	176,784,954	0.00	176,784,954	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	15,709	0.00	15,709	0.00	15,709	0.00
HEALTH INITIATIVES	8,727,264	0.00	9,171,007	0.00	9,171,007	0.00	9,171,007	0.00
HEALTHY FAMILIES TRUST	41,734,003	0.00	42,731,431	0.00	40,365,444	0.00	40,365,444	0.00
TOTAL - PD	789,053,511	0.00	810,321,203	0.00	795,829,423	0.00	791,243,812	0.00
TOTAL	**802,684,225**	**0.00**	**810,751,203**	**0.00**	**796,259,423**	**0.00**	**791,673,812**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	15,546,763	0.00	3,546,763	0.00
PREMIUM	0	0.00	0	0.00	0	0.00	12,000,000	0.00
TOTAL - PD	0	0.00	0	0.00	15,546,763	0.00	15,546,763	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**15,546,763**	**0.00**	**15,546,763**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	4,585,611	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	4,585,611	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**4,585,611**	**0.00**

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
Foster Children Medicaid - 1886025								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	1,264,059	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	1,264,059	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**1,264,059**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(3,494,069)	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	(8,907,136)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(12,401,205)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(12,401,205)**	**0.00**
Increase Medicaid Child Partic - 1886030								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	658,427	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	4,520,085	0.00
THIRD PARTY LIABILITY COLLECT	0	0.00	0	0.00	0	0.00	7,236	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	2,120,621	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	7,306,369	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**7,306,369**	**0.00**
GRAND TOTAL	**$802,684,225**	**0.00**	**$810,751,203**	**0.00**	**$811,806,186**	**0.00**	**$807,975,409**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Hospital Care

Budget Unit: 90552C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request			
	GR	Federal	Other	Total
PS				
EE		215,000	215,000	430,000
PSD	21,998,624	513,645,249	260,185,550	795,829,423
TRF				
Total	21,998,624	513,860,249	260,400,550	796,259,423
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Federal Reimbursement Allowance Fund (FRA) (0142)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Pharmacy Reimbursment Allowance (0144)

	FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total
PS				
EE		215,000	215,000	430,000
PSD	21,998,624	509,059,638	260,185,550	791,243,812
TRF				
Total	21,998,624	509,274,638	260,400,550	791,673,812
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Uncompensated Care Fund (UCF) (0108)
Federal Reimbursement Allowance Fund (FRA) (0142)
Health Initiatives Fund (HIF) (0275)
Healthy Families Trust Fund (0625)
Pharmacy Reimbursment Allowance (0144)

2. CORE DESCRIPTION

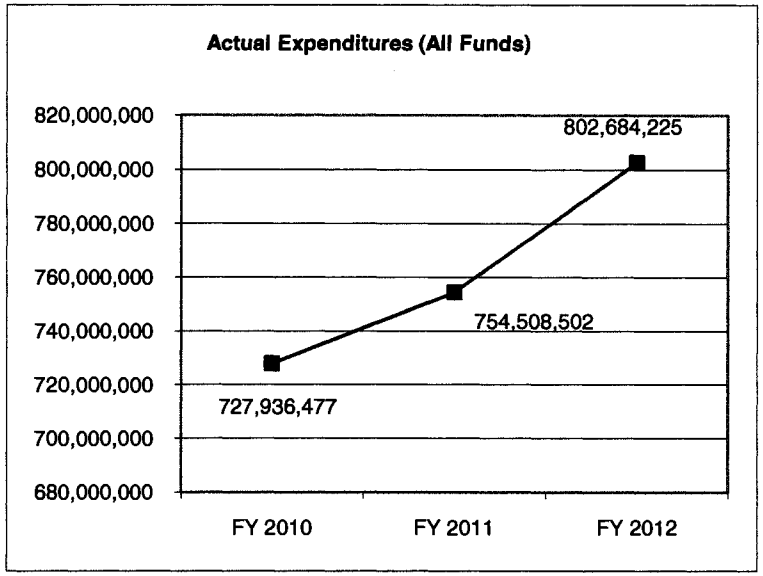
This core request is for ongoing funding to reimburse hospitals for services provided to fee-for-service MO HealthNet participants. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation.

3. PROGRAM LISTING (list programs included in this core funding)

Inpatient and Outpatient hospital services.

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	788,242,253	813,250,756	848,745,804	810,751,203
Less Reverted (All Funds)	(10,083,915)	(83,915)	(83,915)	N/A
Budget Authority (All Funds)	778,158,338	813,166,841	848,661,889	N/A
Actual Expenditures (All Funds)	727,936,477	754,508,502	802,684,225	N/A
Unexpended (All Funds)	50,221,861	58,658,339	45,977,664	N/A
Unexpended, by Fund:				
General Revenue	0	0	106,901	N/A
Federal	30,209,704	30,218,122	43,949,429	N/A
Other	20,012,157	28,440,217	1,921,334	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: Expenditures of $32,443,758 were paid from the Supplemental Pool.
Lapse is for the FRA and federal share of trauma payments that DSS could not make (no earnings to support).

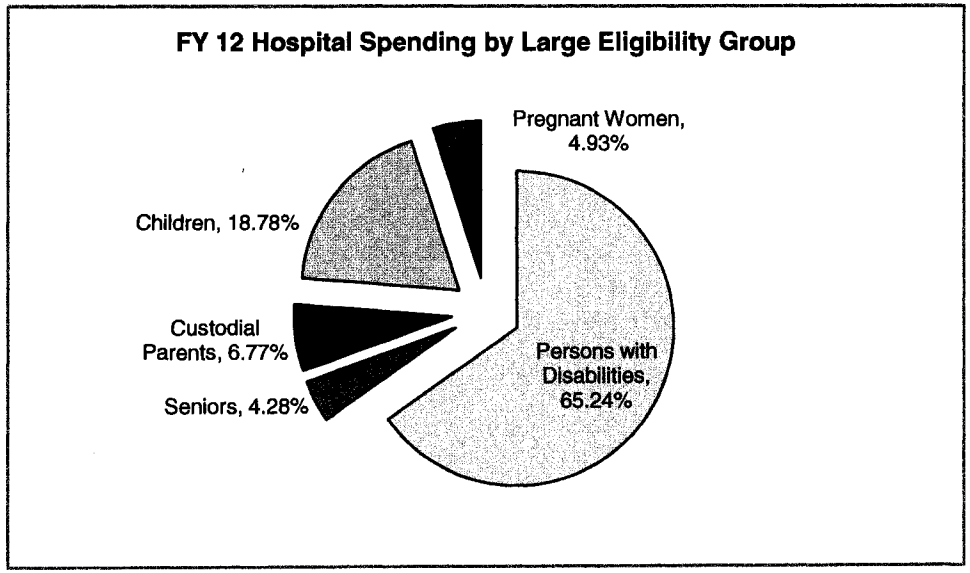
(2) FY 2011: Expenditures of $21,899,227 were paid from the Supplemental Pool, expenditures totaling $9,383,430 were paid from Pharmacy appropriation.
Lapse is for the FRA and federal share of trauma payments that DSS could not make (no earnings to support).

(3) FY 2012: Expenditures of $1,668,924 were paid from Supplemental Pool. Appropriation and expended amounts includes GME and Saftey Net Payments.
Lapse is for the FRA and federal share of trauma payments that DSS could not make (no earnings to support).

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	Hospital PMPM	***Acute Care PMPM***	***Total PMPM***	***Hospital Percentage of Acute***	***Hospital Percentage of Total***
PTD	**$395.45**	$990.49	$1,691.92	39.92%	23.37%
Seniors	**$56.11**	$324.66	$1,311.01	17.28%	4.28%
Custodial Parents	**$85.44**	$439.91	$455.95	19.42%	18.74%
Children*	**$40.50**	$247.84	$280.12	16.34%	14.46%
Pregnant Women	**$178.85**	$546.42	$555.64	32.73%	32.19%

Source: Table 23 Medical Statistics for FY 12. (Paid Claims Data)
** CHIP eligibles not included*



Source: Table 23 Medical Statistics for FY 12. (Paid Claims Data)

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for hospital care, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the hospital PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for hospitals. It provides a snapshot of what eligibility groups are receiving hospital services as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

STATE
HOSPITAL CARE

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		EE	0.00	0	215,000	215,000	430,000	
		PD	0.00	20,943,641	513,645,249	275,732,313	810,321,203	
		Total	**0.00**	**20,943,641**	**513,860,249**	**275,947,313**	**810,751,203**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1473 3712	PD	0.00	0	0	(2,365,987)	(2,365,987)	Core reduction of Healthy Family Trust Fund (HFT) tobacco proceeds-based on revenue estimates. Corresponding GR pickup NDI.
Core Reduction	1735 6997	PD	0.00	0	0	(1,062,735)	(1,062,735)	Core reduction of TPL based on revenue estimates. Corresponding GR pickup NDI.
Core Reduction	1740 0776	PD	0.00	0	0	(12,118,041)	(12,118,041)	Core reduciton of one time FRA fund appropriated for FY 2013 FMAP adjustment. Corresponding GR pickup NDI.
Core Reallocation	1470 1432	PD	0.00	1,054,983	0	0	1,054,983	Core reallocation of DYS & CD Medical.
NET DEPARTMENT CHANGES			**0.00**	**1,054,983**	**0**	**(15,546,763)**	**(14,491,780)**	
DEPARTMENT CORE REQUEST								
		EE	0.00	0	215,000	215,000	430,000	
		PD	0.00	21,998,624	513,645,249	260,185,550	795,829,423	
		Total	**0.00**	**21,998,624**	**513,860,249**	**260,400,550**	**796,259,423**	

STATE

HOSPITAL CARE

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	2291 6471	PD	0.00	0	(4,585,611)	0	(4,585,611)	
NET GOVERNOR CHANGES			**0.00**	**0**	**(4,585,611)**	**0**	**(4,585,611)**	
GOVERNOR'S RECOMMENDED CORE								
		EE	0.00	0	215,000	215,000	430,000	
		PD	0.00	21,998,624	509,059,638	260,185,550	791,243,812	
		Total	**0.00**	**21,998,624**	**509,274,638**	**260,400,550**	**791,673,812**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
HOSPITAL CARE								
CORE								
PROFESSIONAL SERVICES	13,630,714	0.00	430,000	0.00	430,000	0.00	430,000	0.00
TOTAL - EE	**13,630,714**	**0.00**	**430,000**	**0.00**	**430,000**	**0.00**	**430,000**	**0.00**
PROGRAM DISTRIBUTIONS	789,053,511	0.00	810,321,203	0.00	795,829,423	0.00	791,243,812	0.00
TOTAL - PD	**789,053,511**	**0.00**	**810,321,203**	**0.00**	**795,829,423**	**0.00**	**791,243,812**	**0.00**
GRAND TOTAL	**$802,684,225**	**0.00**	**$810,751,203**	**0.00**	**$796,259,423**	**0.00**	**$791,673,812**	**0.00**
GENERAL REVENUE	**$24,376,590**	**0.00**	**$20,943,641**	**0.00**	**$21,998,624**	**0.00**	**$21,998,624**	**0.00**
FEDERAL FUNDS	**$508,290,230**	**0.00**	**$513,860,249**	**0.00**	**$513,860,249**	**0.00**	**$509,274,638**	**0.00**
OTHER FUNDS	**$270,017,405**	**0.00**	**$275,947,313**	**0.00**	**$260,400,550**	**0.00**	**$260,400,550**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Hospital Care
Program is found in the following core budget(s): Hospital Care

1. What does this program do?

Hospital services, both inpatient and outpatient, are an essential part of a health care delivery system. These services are mandatory Medicaid covered services and are provided statewide. Hospital services have been part of the MO HealthNet program since November 1967. MO HealthNet inpatient hospital services are medical services provided in a hospital acute or psychiatric care setting for the care and treatment of MO HealthNet participants.

MO HealthNet outpatient hospital services include preventive, diagnostic, emergency, therapeutic, rehabilitative or palliative services provided in an outpatient setting. Examples of outpatient services are emergency room services, physical therapy, ambulatory surgery, or any service or procedure performed prior to admission.

Providers - To participate in the MO HealthNet fee-for-service program, hospitals must first meet certain requirements. Hospitals must be licensed and certified by the Missouri Department of Health and Senior Services for participation in the Title XVIII Medicare program. If the hospital is located out-of-state, the hospital must be licensed by that state's Department of Health or similar agency. If a state does not have a licensing agency, the hospital must be accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). In addition, the hospital must complete a Title XIX Medicaid Participation Agreement/Questionnaire, and a MO HealthNet enrollment application. The application of enrollment must be approved by the Department of Social Services, MO HealthNet Division.

MO HealthNet Reimbursement - Reimbursement for inpatient hospital stays is determined by a prospective reimbursement plan implemented in FY 82. The plan provides for an inpatient hospital reimbursement rate based on the 1995 cost report to reimburse for inpatient stays in accordance with a specified admission diagnosis.

When a per diem reimbursement rate is established for each hospital, MO HealthNet pays the lesser of: 1) the number of days assigned by the utilization review agent; 2) the number of days billed as covered services; or 3) the Professional Activity Study (PAS) limitation for any diagnosis not subject to review by the utilization review agent.

A hospital is eligible for a special per diem rate increase if it meets prescribed requirements concerning new inpatient health services or new hospital construction.

Outpatient services, excluding certain diagnostic laboratory procedures and radiology procedures, are paid on a prospective outpatient reimbursement methodology. The prospective outpatient payment percentage is calculated using the MO HealthNet overall outpatient cost-to-charge ratio from the fourth, fifth and sixth prior base year cost reports regressed to the current state fiscal year. The prospective outpatient payment percentage cannot exceed 100% and cannot be less than 20%. New MO HealthNet providers that do not have fourth, fifth and sixth prior year cost reports will be set at 75% for the first three fiscal years in which the hospital operates and will have a cost settlement calculated for these years. A prospective outpatient rate will then be calculated and used for the fourth and subsequent years of operation. The weighted average prospective outpatient rate is 28% for FY 13.

Other Reimbursement to Hospitals - Hospitals may also receive reimbursement using funding from the Federal Reimbursement Allowance (FRA) program. The FRA program is a funding source for inpatient and outpatient services. It is also a funding source for MO HealthNet Managed Care, the Women's Health Services, and CHIP programs. These programs provide payments for the cost of providing care to MO HealthNet participants and the uninsured.

Under the FRA program, hospitals pay a federal reimbursement allowance (i.e. provider tax) for the privilege of doing business in the state. The assessment is a percentage levied against both net hospital inpatient revenue and net hospital outpatient revenue. The assessment rate for FY 2013 is 5.95%. The net inpatient and net outpatient revenues are determined from the hospitals' Medicare/Medicaid cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of payments.

The payments include funding for: inpatient per diem payments; outpatient payments; and add-on payments such as direct Medicaid payments, uninsured (DSH), and utilization add-on payments (only applies to Safety Net hospitals and Children's Hospitals).

The method of reimbursing hospitals for the add-on payments is different depending on if they are a safety net hospital or a disproportionate share hospital (DSH). The DSH hospitals are classified as either first tier, second tier, or other DSH depending on the result of an analysis of annual hospital cost reports.

DSH Criteria:

1. If the facility offered nonemergency obstetric services as of December 21, 1987, there must be at least 2 obstetricians with staff privileges who have agreed to provide obstetric services to MO HealthNet participants. Rural hospitals, as defined by the federal Executive Office of Management and Budget, may qualify any physician with staff privileges as an obstetrician. This section does not apply to hospitals either with inpatients predominantly under 18 years of age or which did not offer nonemergency obstetric services as of December 21, 1987; and
2. The hospital meets one of the following:
    a. The MO HealthNet inpatient utilization rate is at least on standard deviation above the state's mean MO HealthNet inpatient utilization rate for all Missouri hospitals; or
    b. The utilization of services by low-income clients is greater than 25% of their total utilization.
3. The hospital meets one of the following:
    a. The unsponsored care ratio is at least 10%; or
    b. The hospital is ranked in the top 15 hospitals based on MO HealthNet patient days and their MO HealthNet nursery and neonatal utilization is greater than 35% of the hospital's total nursery and neonatal utilization; or
    c. At least 9% of the hospital's MO HealthNet days are provided in the hospital's neonatal unit.
4. The hospital annually provides more than 5,000 Title XIX days of care and the Title XIX nursery days represent more than 50% of the hospital's total nursery days.
5. The hospital does not meet the requirements set forth in paragraphs 1 - 4 above, but has a Medicaid inpatient utilization percentage of at least 1% for Medicaid eligible participants.

A hospital's DSH designation depends on which of the above criteria it meets:

1. 1st Tier DSH -- The hospital meets the criteria in paragraphs 1 and 3;
2. 2nd Tier DSH -- The hospital meets the criteria in paragraphs 1 and 2 or paragraphs 1 and 4;
3. Other DSH -- The hospital meets the criteria in paragraph 5.

A hospital can qualify as a safety net hospital if:

1. It meets the criteria set forth above in paragraphs 1 and 2 above; and,
2. It meets one of the following criteria:
    a. The unsponsored care (charity care) ratio is at least 65% and is licensed for less than 50 inpatient beds; or
    b. The unsponsored care ratio is at least 65% and is licensed for 50 inpatient beds or more and has an occupancy rate of more than 40%; or
    c. It is operated by the Board of Curators as defined in chapter 172 RSMo; or
    d. It is operated by the Department of Mental Health.

For a more detailed description of the FRA program see the FRA narrative.

Trends - Elderly persons and persons with disabilities are the highest users of health care services and costliest population per capita. These two populations represent 27% of all Medicaid eligibles and represent 66% of all expenditures. Persons with disabilities are the primary users of hospital services. This group accounts for 46% of fee-for-service hospital users and 64% of fee-for-service hospital expenditures. The elderly are 10% of fee-for-service hospital users and 4% of fee-for-service hospital expenditures.

Pre-certification of inpatient hospital stays for patients under the age of 21 admitted to psychiatric units or facilities and the certificate of need process are measures used to control costs. The pre-certification reviews are done by a utilization review agent. Admission and continued stay reviews are performed on a pre-approved basis for all fee-for-service MO HealthNet participants admitted to acute care hospitals except for certain pregnancy, delivery and newborn diagnoses, and for participants who are eligible for both Medicare and MO HealthNet. The reviews are done to ensure that hospital admission and each day of inpatient care are medically necessary. The review may be performed prior to admission, post admission or retrospectively. An initial length of stay (LOS) is assigned by a nurse or physician reviewer.

In July 2010, the MO HealthNet Division, in conjunction with Xerox (formerly ACS-Heritage) and MedSolutions (MSI), implemented a new quality-based Radiology Benefit Management Program (RBM). The RBM is an expansion of the existing pre-certification process currently being used for MRIs and CTs of the brain, head, chest and spine. The RBM works to determine clinical appropriateness of the usage of high-tech radiology services and cardiac imaging and provides guidelines for application and use based on expert information and evidence-based data. Pre-certification requests are handled using robust clinical guidelines. These guidelines are used to ensure the appropriate scope, complexity and clinical need of the tests that will be performed.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);
Federal regulations: 42 CFR 440.10 and 440.20

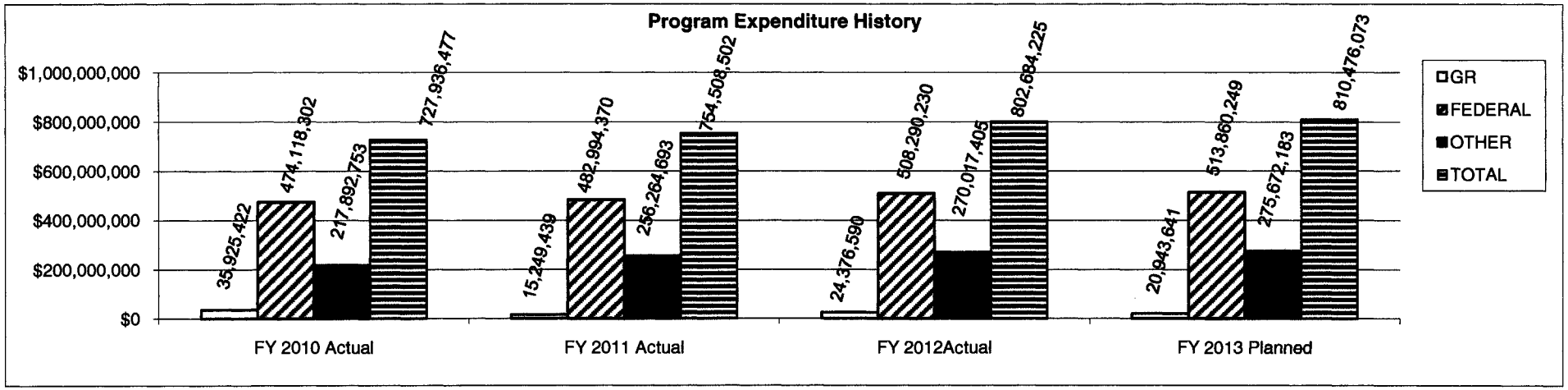
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

Yes, if the state elects to have a Medicaid program.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



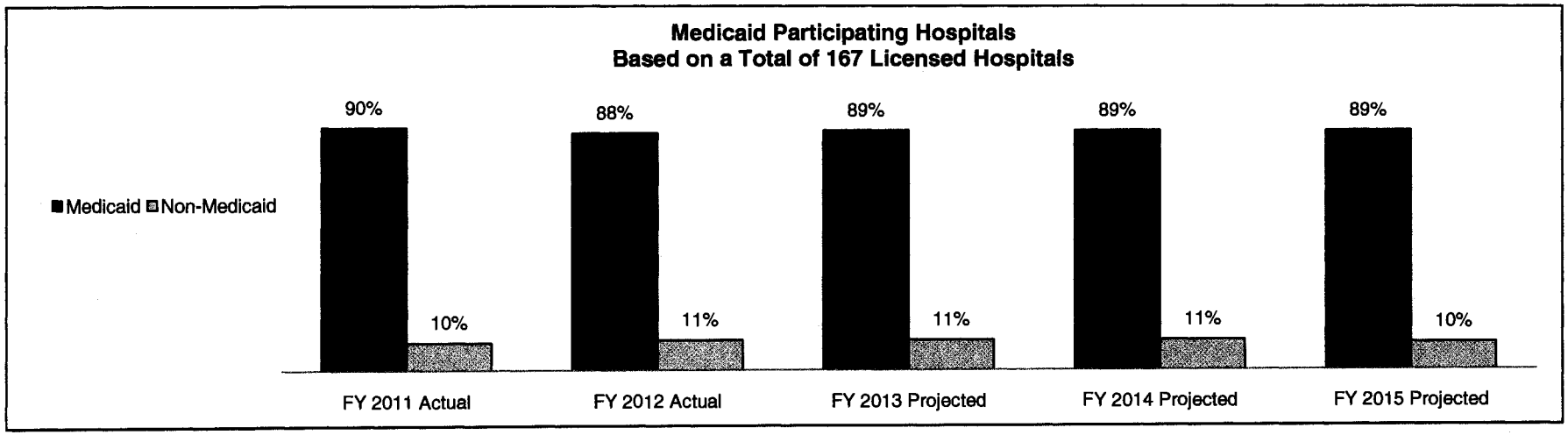
FY 2013 is net of reverted and reserved. Reverted: $275,130 Other Funds.

6. What are the sources of the "Other " funds?

Uncompensated Care Fund (0108), Federal Reimbursement Allowance Fund (0142), Health Initiatives Fund (0275), Third Party Liability Collections Fund (0120), Healthy Families Trust Fund (0625) and Pharmacy Reimbursement Allowance Fund (0144).

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure hospitals enroll in the MO HealthNet program. In SFY 2012, at least 89% of licensed hospitals in the state participated in the MO HealthNet program.

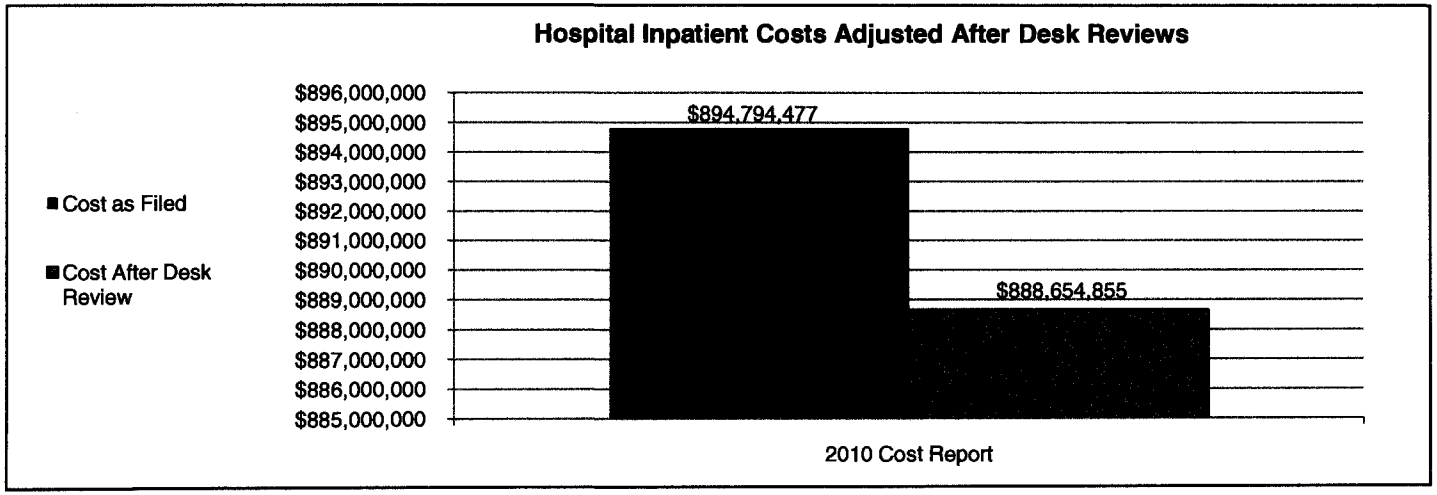


Inpatient and outpatient services are available to all fee-for-service MO HealthNet participants. In those regions of the state where Managed Care has been implemented participants have hospital services available through the Managed Care health plans

SFY	No. of Inpatient Days		No. of Outpatient Services	
	Projected	Actual	Projected	Actual
2010		626,540		11,723,966
2011		699,182		12,143,969
2012		668,881		13,729,908
2013	682,380		14,279,000	
2014	696,028		14,850,000	
2015	709,949		15,444,000	

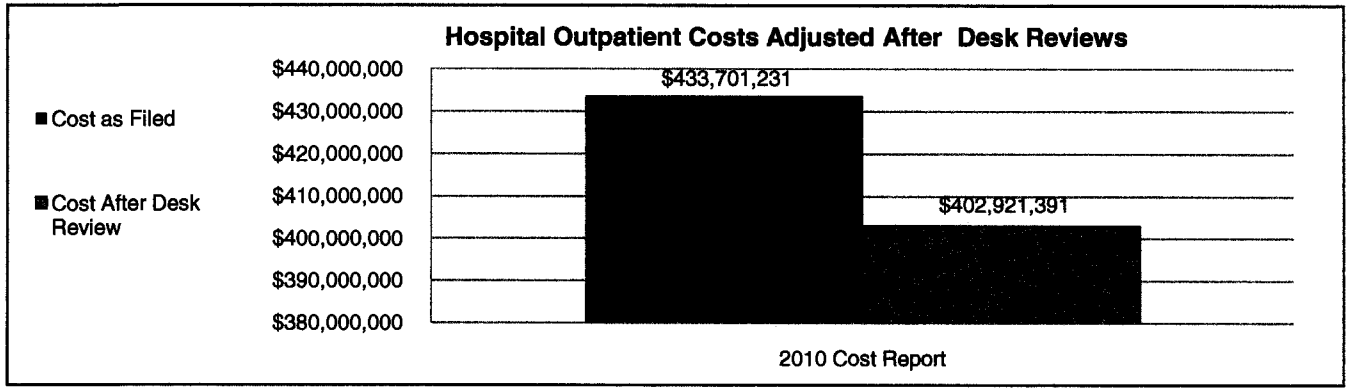
7b. Provide an efficiency measure.

Ensure hospital inpatient Medicaid costs included in determining MO HealthNet inpatient reimbursement rates are allowable by performing desk reviews of the provider's cost reports. During the 2010 fiscal year cost report desk reviews, over $6 million of hospital costs were disallowed as a result of MHD desk reviews.



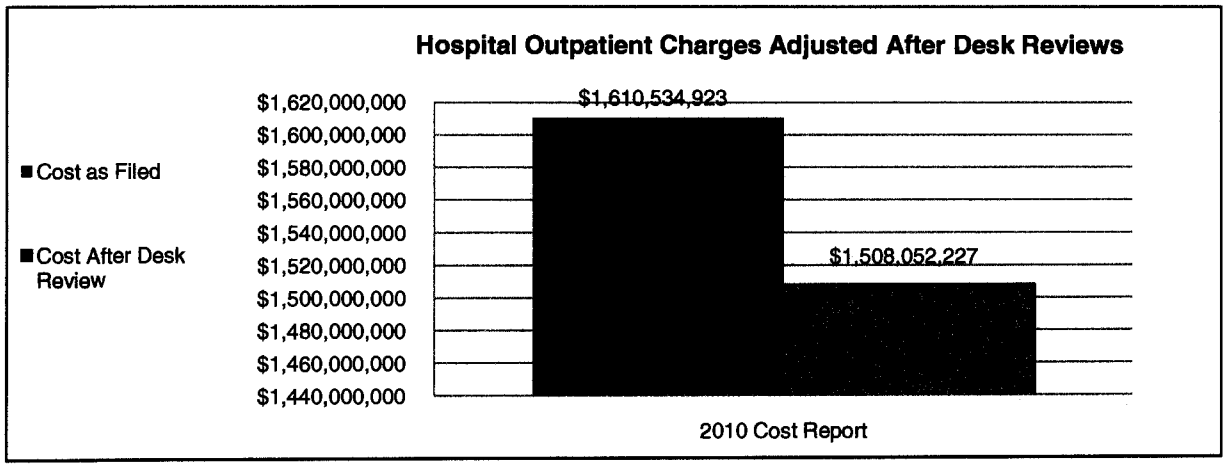
Hospitals work on a fiscal year basis that may run over into the next state fiscal year. Review of the cost reports occurs in the following fiscal year.

Ensure hospital outpatient Medicaid costs included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the provider's cost reports. During the 2010 fiscal year desk reviews, over $30 million of hospital costs were disallowed as a result of MHD desk reviews.



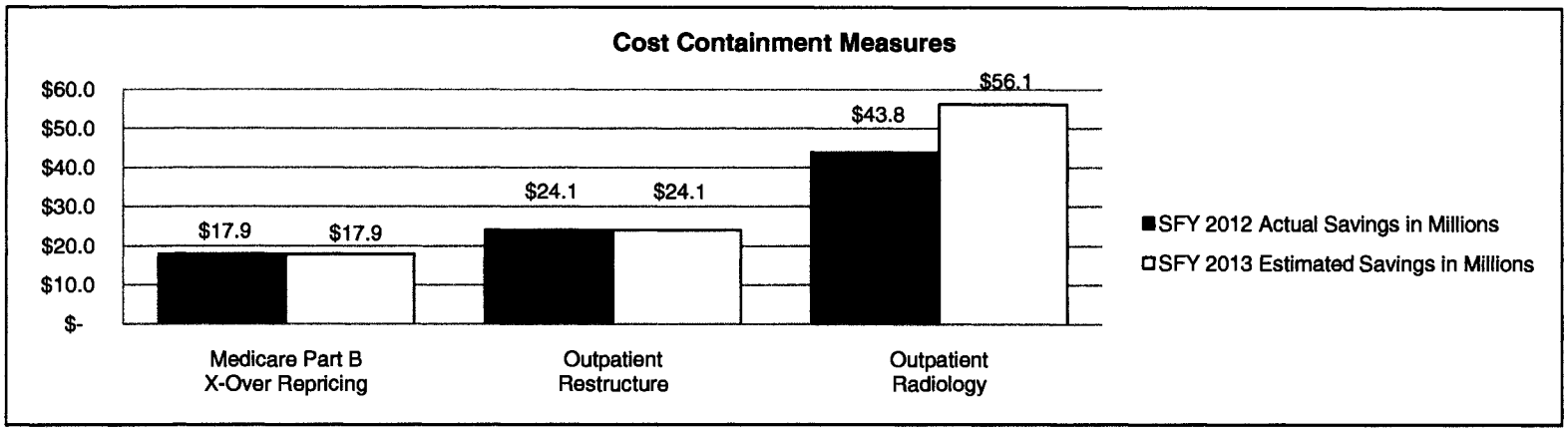
Hospitals work on a fiscal year basis that may run over into the next state fiscal year. Review of the cost reports occurs in the following fiscal year.

Ensure hospital outpatient Medicaid charges included in determining MO HealthNet outpatient reimbursement rates are allowable by performing desk reviews of the provider's cost reports. During the 2010 fiscal year, over $102 million of hospital charges were disallowed as a result of MHD desk reviews.

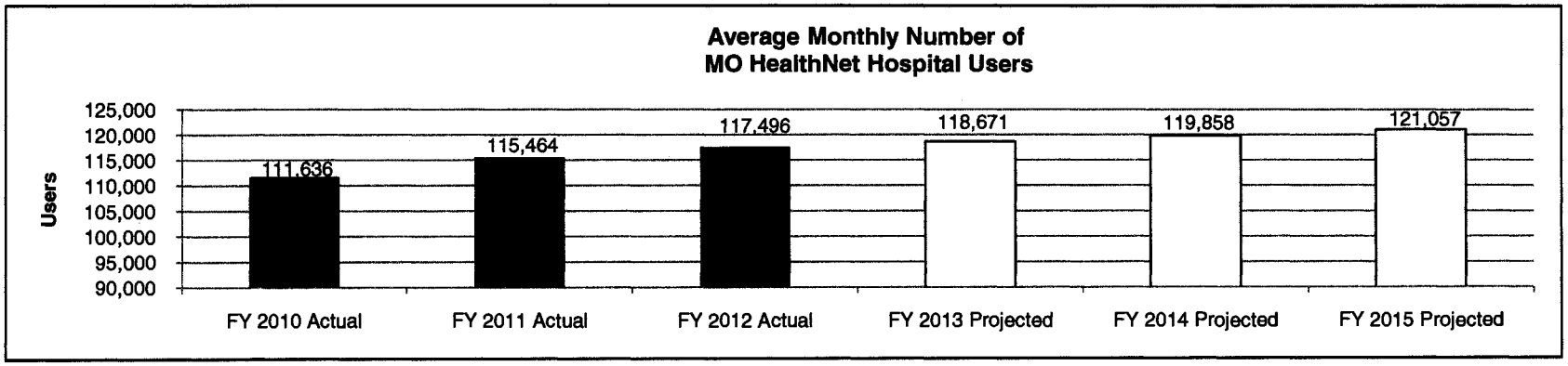


Hospitals work on a fiscal year basis that may run over into the next state fiscal year. Review of the cost reports occurs in the following fiscal year.

The MO HealthNet program implemented cost containment measures in SFY 2011 to reduce the amount that is being paid to hospitals for Medicare Part B Cross-over claims and for Medicaid Outpatient claims. In SFY 2013, the MO HealthNet program will continue to pay outpatient radiology claims based on a fee schedule instead of the outpatient percentage . Total savings for SFY 2012 was $85.8 million. Total estimated savings for SFY 2013 is $98.1 million.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Physicians Payment For Safety Net

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN PAYMENTS SAFETY NET								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	5,344,978	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL - PD	5,344,978	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL	**5,344,978**	**0.00**	**8,000,000**	**0.00**	**8,000,000**	**0.00**	**8,000,000**	**0.00**
GRAND TOTAL	**$5,344,978**	**0.00**	**$8,000,000**	**0.00**	**$8,000,000**	**0.00**	**$8,000,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Physician Payments for Safety Net

Budget Unit: 90558C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		8,000,000		8,000,000
TRF				
Total		8,000,000		8,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		8,000,000		8,000,000
TRF				
Total		8,000,000		8,000,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

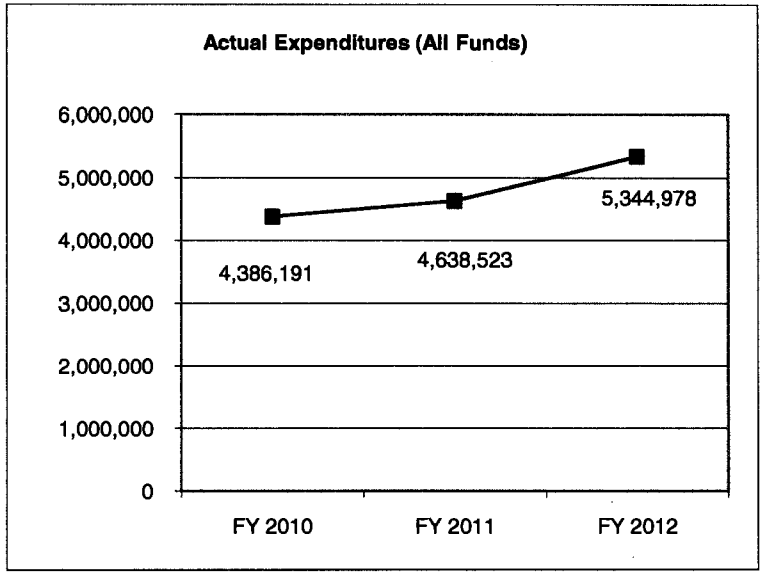
Safety Net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. This core provides funding for enhanced payments to Truman Medical Center Physicians and University of Missouri-Kansas City Physicians.

3. PROGRAM LISTING (list programs included in this core funding)

Physician Payments for Safety Net

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	8,000,000	8,000,000	8,000,000	8,000,000
Less Reverted (All Funds)				N/A
Budget Authority (All Funds)	8,000,000	8,000,000	8,000,000	N/A
Actual Expenditures (All Funds)	4,386,191	4,638,523	5,344,978	N/A
Unexpended (All Funds)	3,613,809	3,361,477	2,655,022	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	3,613,809	3,361,477	2,655,022	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: Lapse of $3,613,809 in excess federal authority.

(2) FY 2011: Lapse of $3,361,477 in excess federal authority.

(3) FY2012: Lapse of $2,655,022 in excess federal authority.

CORE RECONCILIATION DETAIL

STATE
PHYSICIAN PAYMENTS SAFETY NET

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	**0.00**	**0**	**8,000,000**	**0**	**8,000,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	**0.00**	**0**	**8,000,000**	**0**	**8,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	8,000,000	0	8,000,000	
	Total	**0.00**	**0**	**8,000,000**	**0**	**8,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
PHYSICIAN PAYMENTS SAFETY NET								
CORE								
PROGRAM DISTRIBUTIONS	5,344,978	0.00	8,000,000	0.00	8,000,000	0.00	8,000,000	0.00
TOTAL - PD	**5,344,978**	**0.00**	**8,000,000**	**0.00**	**8,000,000**	**0.00**	**8,000,000**	**0.00**
GRAND TOTAL	**$5,344,978**	**0.00**	**$8,000,000**	**0.00**	**$8,000,000**	**0.00**	**$8,000,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$5,344,978**	**0.00**	**$8,000,000**	**0.00**	**$8,000,000**	**0.00**	**$8,000,000**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Physician Payments for Safety Net
Program is found in the following core budget(s): Physician Payments for Safety Net

1. What does this program do?

Provides enhanced physician reimbursement payments for services provided to MO HealthNet participants by hospitals designated as safety net hospitals. Safety net hospitals traditionally see a high volume of Medicaid and uninsured patients. This program was established to provide a funding mechanism to enhance payments to these hospitals.

Safety Net hospitals are critical providers of care to the Medicaid and uninsured populations and must be able to attract and maintain a sufficient supply of qualified physicians in order to provide quality services. Enhanced payments are made to Truman Medical Center Physicians and University of Missouri-Kansas City Physicians. Appropriated funding is based on the following projections:

Enhanced Payment for Truman Medical Center Physicians	$3,000,000
Enhanced Payment for University of Missouri-Kansas City Physicians	$5,000,000

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2), 1923(a)-(f);
Federal regulations: 42 CFR 440.10 and 440.20

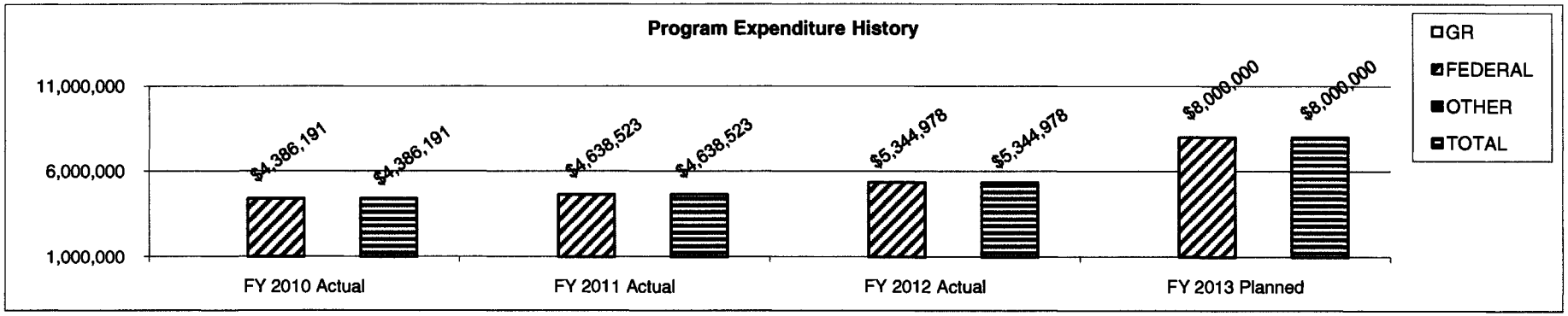
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

FY 12 Comparison of Enhanced Reimbursement to Fee Schedule Rates		
Facility	**Enhanced Reimbursement**	**Reimbursement Based on Fee Schedule**
Truman Medical Center	$ 2,702,946	$ 1,550,696
University of Missouri-Kansas City	$ 8,845,519	$ 4,652,791

7b. Provide an efficiency measure.

FY 12 Participating Physicians	
Truman Medical Center	107
University of Missouri-Kansas City	203

7c. Provide the number of clients/individuals served, if applicable.

FY 12 MO HealthNet Participants Served	
Truman Medical Center	11,738
University of Missouri-Kansas City	10,838

7d. Provide a customer satisfaction measure, if available.

N/A

FQHC Distribution

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FQHC DISTRIBUTION								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	3,418,331	0.00	4,020,000	0.00	4,020,000	0.00	4,520,000	0.00
TITLE XIX-FEDERAL AND OTHER	1,341,083	0.00	10,800,000	0.00	10,800,000	0.00	10,800,000	0.00
TOTAL - PD	4,759,414	0.00	14,820,000	0.00	14,820,000	0.00	15,320,000	0.00
TOTAL	**4,759,414**	**0.00**	**14,820,000**	**0.00**	**14,820,000**	**0.00**	**15,320,000**	**0.00**
FQHC Loan Forgiveness Program - 1886036								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	250,000	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	250,000	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**250,000**	**0.00**
GRAND TOTAL	**$4,759,414**	**0.00**	**$14,820,000**	**0.00**	**$14,820,000**	**0.00**	**$15,570,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federally Qualified Health Centers (FQHC) Distribution

Budget Unit: 90559C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	4,020,000	10,800,000		14,820,000
TRF				
Total	**4,020,000**	**10,800,000**		**14,820,000**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	4,520,000	10,800,000		15,320,000
TRF				
Total	**4,520,000**	**10,800,000**		**15,320,000**
FTE				**0.00**
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

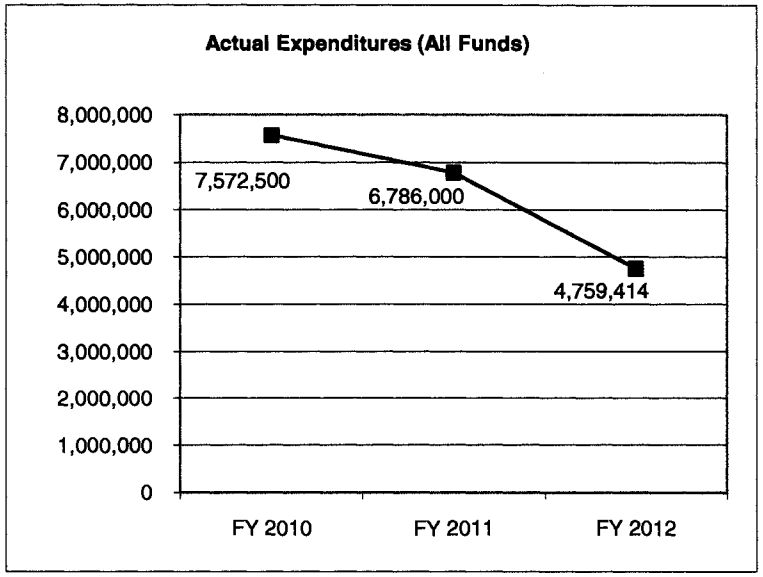
This core request is to allow Federally Qualified Health Centers (FQHCs) to provide services in their facilities and improve access to health care for the uninsured and under-insured. Funding for this core is for equipment and infrastructure in the FQHC and to cover the expense of providing health care services in the FQHC setting. In addition, the core request is for funding payments for Health Home sites.

3. PROGRAM LISTING (list programs included in this core funding)

Federally Qualified Health Centers (FQHC)

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	9,250,000	7,800,000	13,020,000	14,820,000
Less Reverted (All Funds)	(1,677,500)	(1,014,000)	(120,600)	N/A
Budget Authority (All Funds)	7,572,500	6,786,000	12,899,400	N/A
Actual Expenditures (All Funds)	7,572,500	6,786,000	4,759,414	N/A
Unexpended (All Funds)	0	0	8,139,986	N/A
Unexpended, by Fund:				
General Revenue	500	0	481,069	N/A
Federal	0	0	7,658,917	N/A
Other	0	0	0	N/A
				(1)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

(1) FY 2013: Estimated appropriation or "E" staus removed

STATE
FQHC DISTRIBUTION

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	4,020,000	10,800,000	0	14,820,000	
	Total	**0.00**	**4,020,000**	**10,800,000**	**0**	**14,820,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	4,020,000	10,800,000	0	14,820,000	
	Total	**0.00**	**4,020,000**	**10,800,000**	**0**	**14,820,000**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS							
Core Reallocation 1998 4868	PD	0.00	500,000	0	0	500,000	
NET GOVERNOR CHANGES		**0.00**	**500,000**	**0**	**0**	**500,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	4,520,000	10,800,000	0	15,320,000	
	Total	**0.00**	**4,520,000**	**10,800,000**	**0**	**15,320,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FQHC DISTRIBUTION								
CORE								
PROGRAM DISTRIBUTIONS	4,759,414	0.00	14,820,000	0.00	14,820,000	0.00	15,320,000	0.00
TOTAL - PD	**4,759,414**	**0.00**	**14,820,000**	**0.00**	**14,820,000**	**0.00**	**15,320,000**	**0.00**
GRAND TOTAL	**$4,759,414**	**0.00**	**$14,820,000**	**0.00**	**$14,820,000**	**0.00**	**$15,320,000**	**0.00**
GENERAL REVENUE	**$3,418,331**	**0.00**	**$4,020,000**	**0.00**	**$4,020,000**	**0.00**	**$4,520,000**	**0.00**
FEDERAL FUNDS	**$1,341,083**	**0.00**	**$10,800,000**	**0.00**	**$10,800,000**	**0.00**	**$10,800,000**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Federally Qualified Health Centers (FQHC) Distribution
Program is found in the following core budget(s): Federally Qualified Health Centers (FQHC) Distribution

1. What does this program do?

FQHCs are community health centers that provide comprehensive primary care to low-income and medically under-served urban and rural communities. Because of an inadequate number of providers, Missourians have found it difficult to find health care providers and are subject to lengthy postponements in receiving health care services. In rural areas, these issues are more pronounced as people must frequently travel to larger cities in order to receive necessary care. By equipping the FQHCs with infrastructure and personnel, the under-served population will have increased access to health care, especially in medically under-served areas.

Examples of how these grants help expand access to health care services for the low-income and uninsured include: 1) Supporting nontraditional hours of operation (weekend and special evening hours). FQHCs recognize that many Missourians do not have the luxury of accessing care during normal business hours. 2) Defraying the costs of caring for the uninsured. FQHCs are required to accept uninsured patients as they do insured patients. 3) Funding staff and infrastructure to provide services not usually accessible to FQHC patients such as dental services.

The Department of Social Services contracts with the Missouri Primary Care Association to act as a fiscal intermediary for the distribution of the FQHC grants, assuring accurate and timely payments to the subcontractors; and, as a central data collection point for evaluating program impact and outcomes. The Missouri Primary Care Association is recognized as Missouri's single primary care association by the Federal Health Resource Service Administration. The goals of the nation's Primary Care Associations are to partner in the development, maintenance and improvement of access to health care services, reducing disparities in health status between majority and minority populations.

The MO HealthNet Division of the Department of Social Services is implementing a Health Home provider program in accordance with Section 2703 of the Affordable Care Act of 2010. Health Home sites will receive per-member-per-month (PMPM) payments for the additional services they will be required to perform. Most of the primary care sites that will be selected to participate in the Health Home program will be FQHC sites. The funding for the current FQHC distribution contract will be used as the 10% state share for MO HealthNet primary care Health Home payments. These payments started in March 2012 for services performed in January 2012.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.153, 208.201, 660.026; Federal law: Social Security Act Section 1905(a)(2); Federal regulation: 42 CFR 440.210

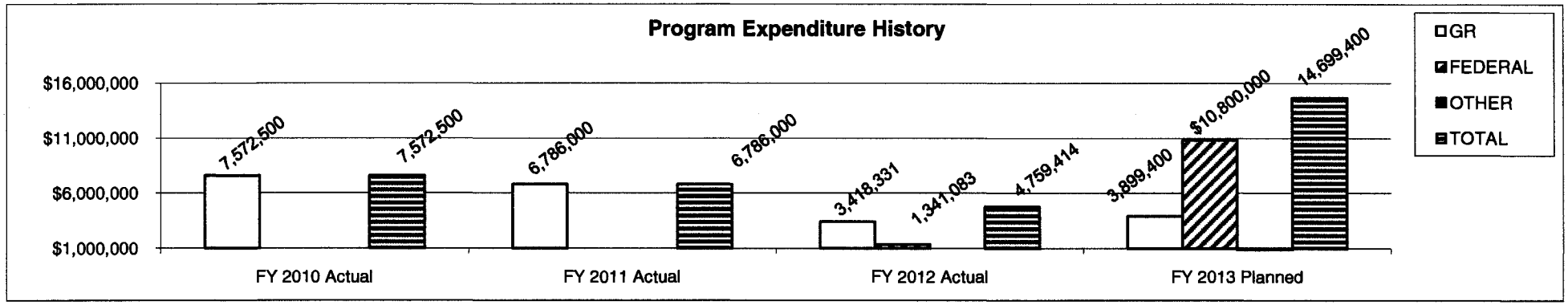
3. Are there federal matching requirements? If yes, please explain.

The Health Homes are funded at a 90% federal match. FQHC distributions are funded with 100% General Revenue.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2013 is net of reverted. Reverted: $120,600 GR.

6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

State grants funded with this appropriation assist in leveraging funds from the Federal Bureau of Primary Health Care. The total amount of funds leveraged in calendar year 2011 was $58,037,221.

Total Funds Leveraged for Missouri FQHCs	
Calendar Year	Total Economic Impact
2008	$42,168,226
2009	$42,715,258
2010	$44,606,943
2011	$58,037,221

Source: Bureau of Primary Health Care, bphc.hrsa.gov

7b. Provide an efficiency measure.

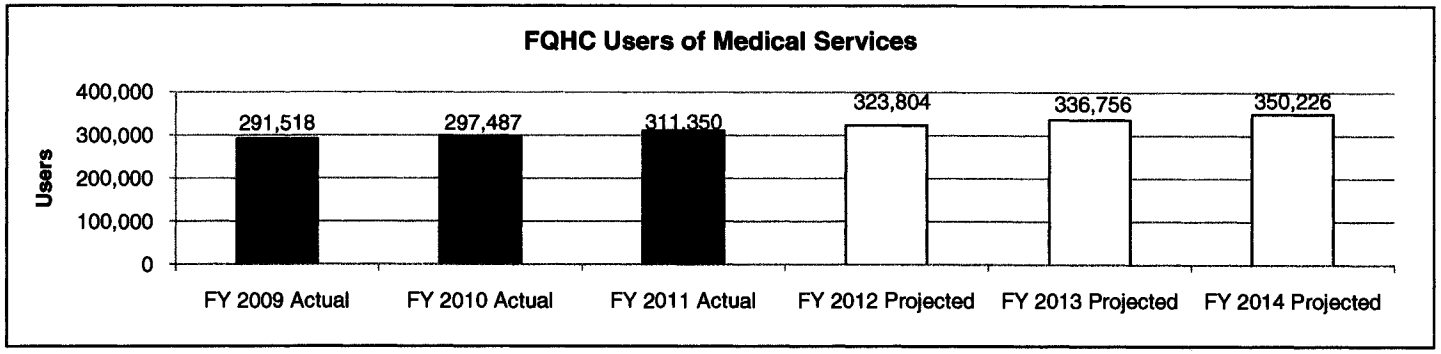
FQHCs provide primary health care for the uninsured in their local communities. Missouri FQHCs provided primary health care to uninsured individuals in their local communities at a cost of $646 per user in calendar year 2011.

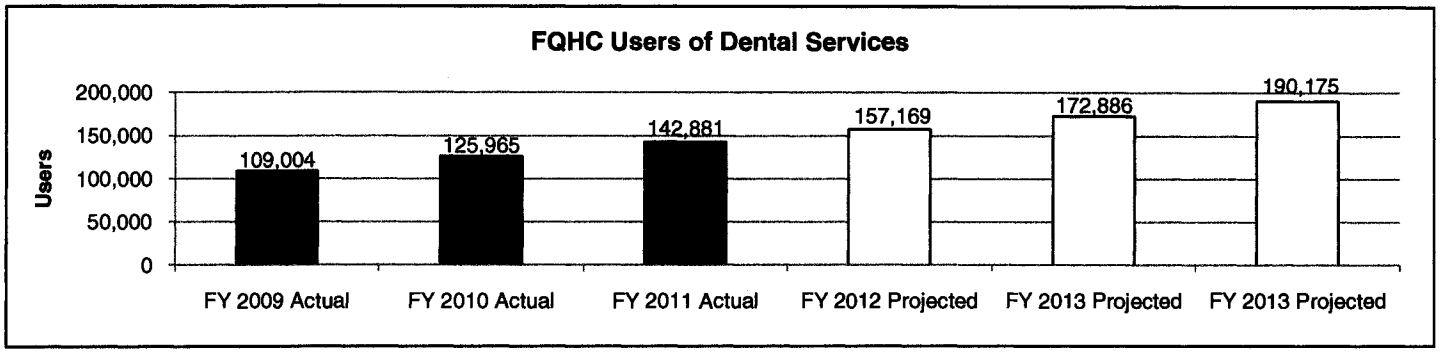
Cost per User	
Calendar Year	Cost
2007	$535
2008	$562
2009	$602
2010	$628
2011	$646

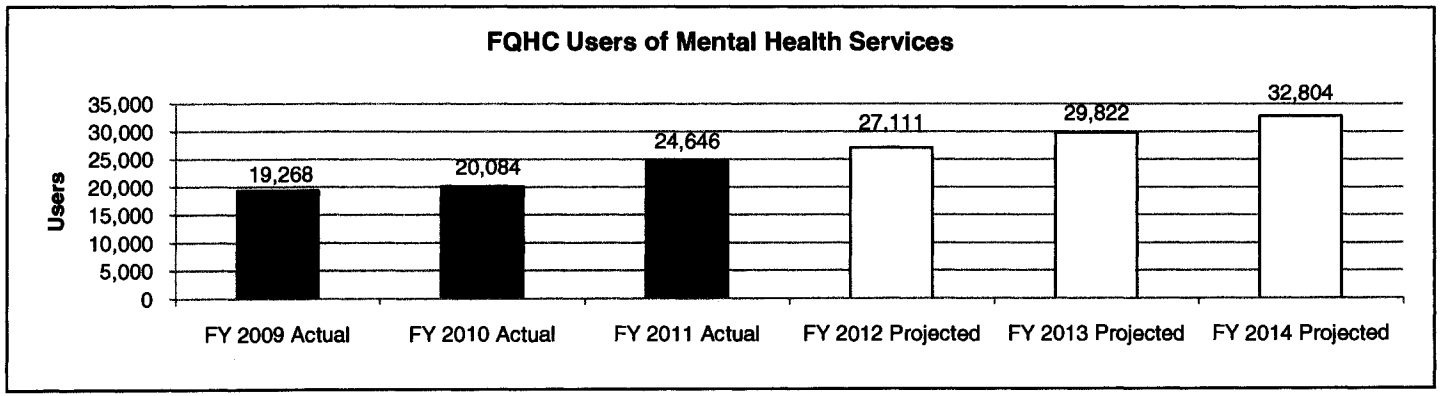
Source: Bureau of Primary Health Care, bphc.hrsa.gov

Total of Facility and Non-Clinical Support Services divided by Total Patients.

7c. Provide the number of clients/individuals served, if applicable.







7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 999

Department: Social Services | **Budget Unit: 90559C**
Division: MO HealthNet
DI Name: FQHC Loan Forgivness Program | **DI#: 1886034**

1. AMOUNT OF REQUEST

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD					PSD	250,000			250,000
TRF					TRF				0
Total				0	Total	250,000			250,000
FTE					FTE				0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: | Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation	X	New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPSIS: Creates a FQHC Loan Forgiveness program for primary care physicians.

This creates a Loan Forgiveness program for primary care physicians in the amount of $250,000. This is intended to be matched at a 2:1 ratio by Missouri Primary Care Association.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

This creates a Loan Forgiveness program for primary care physicians in the amount of $250,000. This is intended to be matched at a 2:1 ratio by Missouri Primary Care Association.

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0				0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	250,000						250,000		
Total PSD	**250,000**		**0**		**0**		**250,000**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**250,000**	**0.0**	**0**	**0.0**	**0**	**0.0**	**250,000**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FQHC DISTRIBUTION								
FQHC Loan Forgiveness Program - 1886036								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	250,000	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**250,000**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$250,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$250,000**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT HEALTH CARE HOME								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	336,158	0.00	6,900,000	0.00	6,900,000	0.00	6,900,000	0.00
INTERGOVERNMENTAL TRANSFER	37,372	0.00	600,000	0.00	600,000	0.00	600,000	0.00
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	100,000	0.00	100,000	0.00	100,000	0.00
TOTAL - PD	373,530	0.00	7,600,000	0.00	7,600,000	0.00	7,600,000	0.00
TOTAL	**373,530**	**0.00**	**7,600,000**	**0.00**	**7,600,000**	**0.00**	**7,600,000**	**0.00**
GRAND TOTAL	**$373,530**	**0.00**	**$7,600,000**	**0.00**	**$7,600,000**	**0.00**	**$7,600,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT Health Care Home

Budget Unit: 90574C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		6,900,000	700,000	7,600,000
TRF				
Total		6,900,000	700,000	7,600,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)
Federal Reimbursement Allowance (0142)

FY 2014 Governor's Recommendation

	GR	Fed	Other	Total
PS				
EE				
PSD		6,900,000	700,000	7,600,000
TRF				
Total		6,900,000	700,000	7,600,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)
Federal Reimbursement Allowance (0142)

2. CORE DESCRIPTION

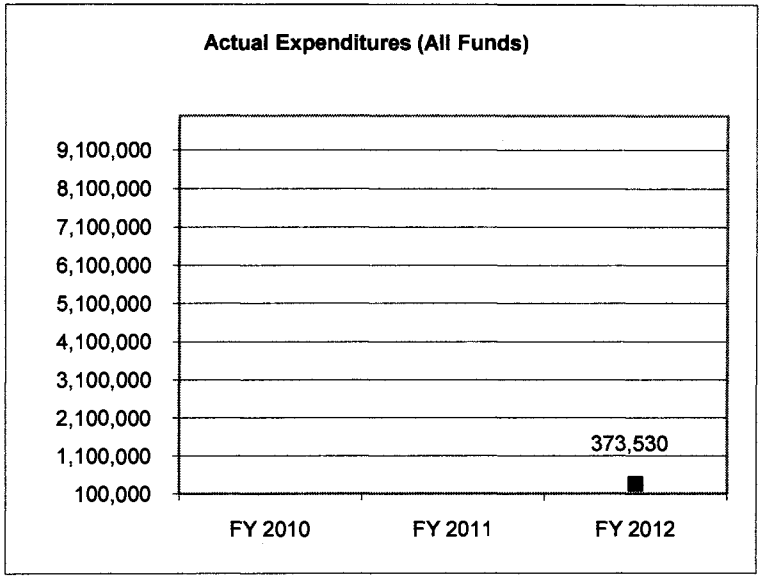
The core request is for funding payments for MO HealthNet participants through intergovernmental transfers for health home sites affiliated with public entities. Health home sites will receive per-member-per-month (PMPM) payments for the additional services they will be required to perform.

3. PROGRAM LISTING (list programs included in this core funding)

IGT Health Home

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)			10,000,000	7,600,000
Less Reverted (All Funds)			0	N/A
Budget Authority (All Funds)	0	0	10,000,000	N/A
Actual Expenditures (All Funds)			373,530	N/A
Unexpended (All Funds)	0	0	9,626,470	N/A
Unexpended, by Fund:				
General Revenue			0	N/A
Federal			8,663,842	N/A
Other			962,628	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2012: Program started in March 2012.

CORE RECONCILIATION DETAIL

STATE

IGT HEALTH CARE HOME

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	6,900,000	700,000	7,600,000	
	Total	**0.00**	**0**	**6,900,000**	**700,000**	**7,600,000**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	6,900,000	700,000	7,600,000	
	Total	**0.00**	**0**	**6,900,000**	**700,000**	**7,600,000**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	6,900,000	700,000	7,600,000	
	Total	**0.00**	**0**	**6,900,000**	**700,000**	**7,600,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT HEALTH CARE HOME								
CORE								
PROGRAM DISTRIBUTIONS	373,530	0.00	7,600,000	0.00	7,600,000	0.00	7,600,000	0.00
TOTAL - PD	373,530	0.00	7,600,000	0.00	7,600,000	0.00	7,600,000	0.00
GRAND TOTAL	$373,530	0.00	$7,600,000	0.00	$7,600,000	0.00	$7,600,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$336,158	0.00	$6,900,000	0.00	$6,900,000	0.00	$6,900,000	0.00
OTHER FUNDS	$37,372	0.00	$700,000	0.00	$700,000	0.00	$700,000	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: IGT Health Home
Program is found in the following core budget(s): IGT Health Care Home

1. What does this program do?

Section 2703 of the Affordable Care Act (ACA) gives MO HealthNet the option to pay providers to coordinate care through a "Health Home" for individuals with chronic conditions. A health home is a "designated provider" or a health team that provides health home services to an individual with a chronic condition. A "designated provider" can be a physician, clinical practice or clinical group practice, rural clinic, community health center, home health agency, or any other entity or provider that is determined by MO HealthNet to be a qualified health home. A team of health care professionals acting as a health home may include physicians and other professionals such as a nurse care coordinator, nutritionist or social worker. Health homes may be freestanding or based at a hospital or other facility. Health home services include comprehensive care management, care coordination and health promotion, comprehensive transitional care from inpatient to other settings, patient and family support, and referral to community and social support services. Health homes are required to use "health information technology" to link services. Individuals who are eligible for health home services must have at least two chronic conditions or one chronic condition and the risk of having a second.

Clinical care management per member per month (PMPM) payments will be made for the reimbursement of the cost of staff primarily responsible for delivery of services not covered by other reimbursement (Primary Care Nurses) whose duties are not otherwise reimbursable by MO HealthNet.

Health homes using IGT transactions as state match include: Truman Medical Centers, Citizens Memorial Health Care and University of Missouri Health Care.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Federal law: ACA Section 2703; Section 1945 of Title XIX of the Social Security Act

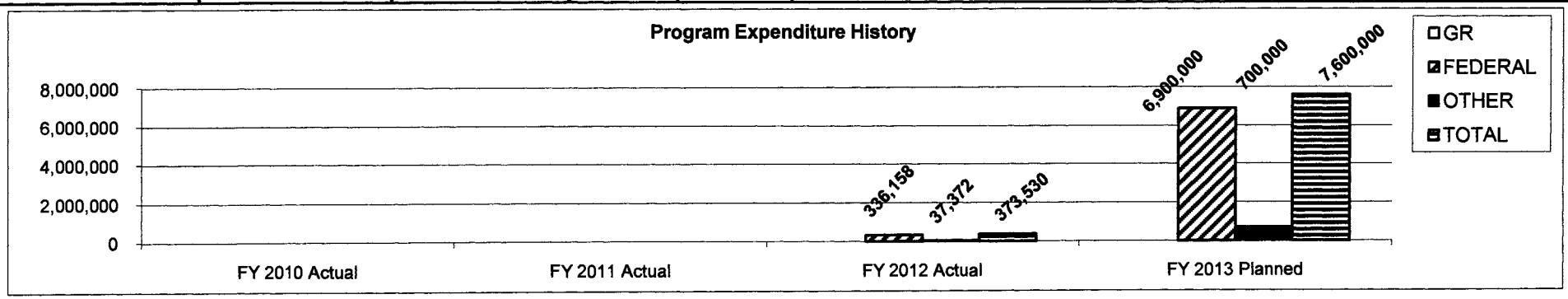
3. Are there federal matching requirements? If yes, please explain.

Expenditures are matched at 90% federal funds.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139).

7a. Provide an effectiveness measure.

Health Home Providers	
Number of Public Entities Using IGT Transactions	3
Number of Medical Organizations Participating in Primary Care Health Homes	24
Number of Medical Sites Participating in Primary Care Health Homes	80

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

Health Home Participants	
Number of Primary Care Health Home Participants	20,239

7d. Provide a customer satisfaction measure, if available.

N/A

Federal Reimbursement Allowance

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FED REIMB ALLOWANCE								
CORE								
EXPENSE & EQUIPMENT								
FEDERAL REIMBURSMENT ALLOWANCE	218,838	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	218,838	0.00	0	0.00	0	0.00	0	0.00
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	1,076,609,825	0.00	988,018,734	0.00	988,018,734	0.00	988,018,734	0.00
TOTAL - PD	1,076,609,825	0.00	988,018,734	0.00	988,018,734	0.00	988,018,734	0.00
TOTAL	**1,076,828,663**	**0.00**	**988,018,734**	**0.00**	**988,018,734**	**0.00**	**988,018,734**	**0.00**
FRA Increase Authority - 1886021								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	34,800,000	0.00	34,800,000	0.00
TOTAL - PD	0	0.00	0	0.00	34,800,000	0.00	34,800,000	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**34,800,000**	**0.00**	**34,800,000**	**0.00**
GRAND TOTAL	**$1,076,828,663**	**0.00**	**$988,018,734**	**0.00**	**$1,022,818,734**	**0.00**	**$1,022,818,734**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federal Reimbursement Allowance (FRA)

Budget Unit: 90553C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total	
PS					
EE					
PSD			988,018,734	988,018,734	E
TRF					
Total			988,018,734	988,018,734	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

FY 2014 Governor's Recommendation

	GR	Fed	Other	Total	
PS					
EE					
PSD			988,018,734	988,018,734	E
TRF					
Total			988,018,734	988,018,734	E
FTE				0.00	
Est. Fringe	0	0	0	0	

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

Note: An "E" is requested for the Federal Reimbursement Allowance Fund.

2. CORE DESCRIPTION

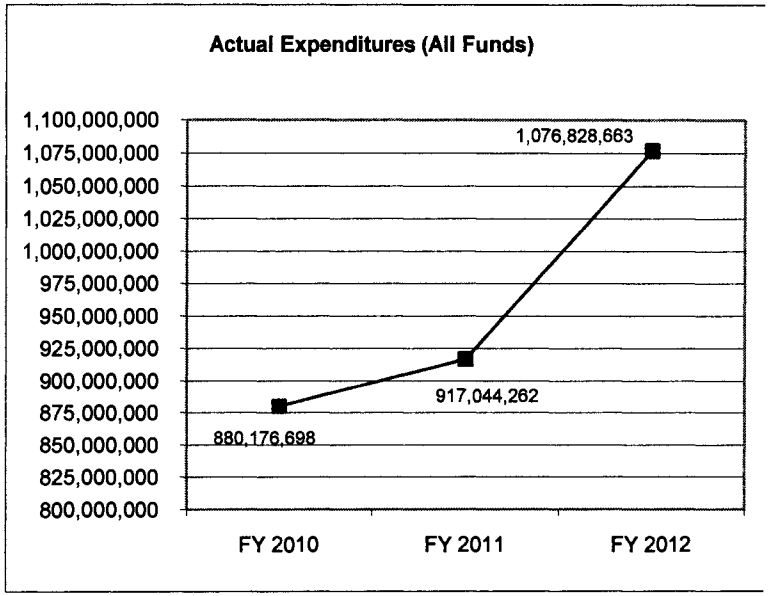
This core request is for ongoing funding to reimburse for hospital services and managed care premiums provided to MO HealthNet participants and the uninsured. Funding for this core is used to maintain hospital reimbursement at a sufficient level to ensure quality health care and provider participation. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this FRA program appropriation.

3. PROGRAM LISTING (list programs included in this core funding)

Hospital - Federal Reimbursement Allowance

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	880,184,206	918,929,393	1,077,049,394	988,018,734 E
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	880,184,206	918,929,393	1,077,049,394	N/A
Actual Expenditures (All Funds)	880,176,698	917,044,262	1,076,828,663	N/A
Unexpended (All Funds)	7,508	1,885,131	220,731	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	7,508	1,885,131	220,731	N/A
Other	0	0	0	N/A
			(1)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY2012: An "E" increase of $198,120,000 was made.

CORE RECONCILIATION DETAIL

STATE
FED REIMB ALLOWANCE

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	988,018,734	988,018,734	
	Total	**0.00**	**0**	**0**	**988,018,734**	**988,018,734**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	988,018,734	988,018,734	
	Total	**0.00**	**0**	**0**	**988,018,734**	**988,018,734**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	988,018,734	988,018,734	
	Total	**0.00**	**0**	**0**	**988,018,734**	**988,018,734**	

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Federal Reimbursement Allowance (FRA)
Program is found in the following core budget(s): Federal Reimbursement Allowance (FRA)

1. What does this program do?

The Federal Reimbursement Allowance (FRA) program provides payments for hospital inpatient services, outpatient services, managed care capitated payments, CHIP and Women's Health services (using the FRA assessment as general revenue equivalent). The FRA program supplements payments for the cost of providing care to Medicaid participants under Title XIX of the Social Security Act and to the uninsured. Hospitals are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent and when used to make valid Medicaid payments, earns federal dollars. These earnings fund the FRA program.

Currently 147 hospitals participate in the FRA program. The FRA assessment is a percent of each hospital's inpatient adjusted net revenues and outpatient adjusted net revenues. The assessment rate for FY 2013 is 5.95%. The net inpatient and net outpatient revenue are determined from the hospital's cost reports that are filed annually with the MO HealthNet Division. The MO HealthNet Division uses funds generated from the FRA program as the equivalent of General Revenue funds. The funds are distributed to the hospitals through a combination of payments.

The FRA program reimburses hospitals for certain costs as outlined below:

- Higher Inpatient Per Diems - Higher per diems were granted in October 1992 when the FRA program started. At that time, rates for the general plan hospitals were rebased to the 1990 cost reports. In April 1998, hospitals were rebased to the 1995 cost reports.
- Increased Outpatient Payment - 30% of outpatient costs are made through FRA funding. An outpatient prospective reimbursement methodology was implemented on July 1, 2002.
- Direct Medicaid Payments - The hospital receives additional lump sum payments to cover their unreimbursed costs for providing services to MO HealthNet participants. These payments, along with per diem payments, provide 100% of the allowable Medicaid cost for MO HealthNet participants.
- Uninsured Add-On - Payments for the cost of providing services to patients that do not have insurance (charity care and bad debts).
- Upper Payment Limit - An annual payment to hospitals to recognize costs up to what Medicare payment principles allow.
- Enhanced GME - An annual payment to hospitals for Graduate Medical Education (GME) cost inflation not reimbursed in the per diem, Direct Medicaid or quarterly GME payments.

This program also funds the following:

- Costs of the federally required independent DSH audits
- Missouri's Gateway to Better Health Medicaid demonstration. Prior to the new federal DSH audit rules, DSH funding was voluntarily paid by hospitals to safety net clinics that provided uncompensated ambulatory care at specific facilities. The new federal DSH audit requirements limit the amount of DSH hospitals can receive to each individual hospital's uncompensated Medicaid and uninsured costs. Under the Demonstration, CMS is allowing the state to continue to use DSH funds to preserve and improve primary and specialty health care services in St. Louis.
- IMD Demonstration. This is a three-year Medicaid emergency psychiatric demonstration project. The project would allow federal Medicaid matching payments for emergency psychiatric treatment in psychiatric hospitals that provide services to Medicaid beneficiaries between the ages of 21 and 64.
- The state share of primary care health home per-member-per-month (PMPM) payments to hospital-based primary care health homes.

Currently, psychiatric hospitals are required to provide these emergency services under the Emergency Medical Treatment and Active Labor Act, but they cannot receive federal matching payments because of the rules prohibiting IMD's from receiving federal Medicaid reimbursement. The services eligible for federal payments under the demonstration projects are limited to emergency psychiatric treatment and stabilization.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.453; Federal law: Social Security Act Section 1903(w); Federal Regulation: 42 CFR 433 Subpart B.

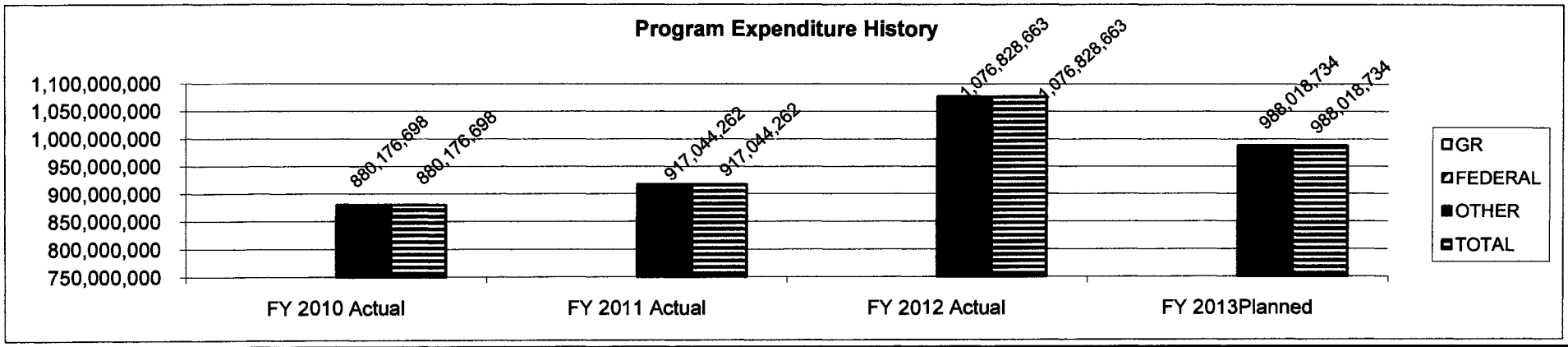
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Health home expenditures are matched at 90% federal funds. Generally, Missouri's FMAP for FY 13 is a blended 61.89% federal match. The state matching requirement is 38.11%. The hospital assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance Fund (0142)

7a. Provide an effectiveness measure.

The Federal Reimbursement Allowance (FRA) is used as state match for administration costs and Medicaid services minimizing the need for General Revenue. In FY 2012, the FRA program provided over $286 million in state match to fund various appropriations.

FRA as a Funding Source in the Various Appropriations	SFY			
	2010	2011	2012	2013
Revenue Max / Admin	$100,133	$100,133	$100,133	$101,244
Managed Care	$93,533,441	$93,533,441	$93,533,441	$108,629,699
Hospital	$148,913,958	$185,298,958	$185,298,958	$188,702,995
Women's Health Services	$167,756	$167,756	$167,756	$403,656
Show-Me Health (SB 306)*	$52,615,793			
Medical Homes				$100,000
CHIP	$7,719,204	$7,719,204	$7,719,204	$10,269,005
Total	$303,050,285	$286,819,492	$286,819,492	$308,206,599

**Appropriation contingent on passage of enabling legislation (SB 306). Enabling legislation did not pass.*

7b. Provide an efficiency measure.

The FRA tax assessment is a general revenue equivalent and when used to make Medicaid payments earns a federal match. In FY 2012, hospitals were assessed $1 billion in tax.

FRA Tax Assessments Revenues Obtained*	
SFY	
2010	$885,100,000
2011	$919,300,000
2012	$1,007,200,000
2013	$1,062,500,000
2014	$1,109,100,000
2015	$1,157,900,000

**Projections assume the federal government continues to allow tax rate maximum of 6%.*

7c. Provide the number of clients/individuals served, if applicable.

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital and primary care health home services.

7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 24

Department: Social Services | **Budget Unit: 90553C**
Division: MO HealthNet
DI Name: FRA Increase Authority | **DI#: 1886021**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD			34,800,000	34,800,000
TRF				
Total			34,800,000	34,800,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			34,800,000	34,800,000
TRF				
Total			34,800,000	34,800,000
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate		Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan	x	Other: Increase Budget Authority		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

PROGRAM SYNOPSIS: This item is needed to increase appropriation authority to reflect planned FY 2014 payments.

Funding is needed for an anticipated increase in direct Medicaid, inpatient, outpatient and enhanced Graduate Medical Education (GME) payments.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Direct Medicaid payments are expected to increase in FY 2014 by the DRI trend factor of 4.4%. In addition, FY 14 Direct Medicaid payments for the University of Missouri have been fully transitioned to 100% FRA funds. The FRA portion of hospital inpatient, outpatient and enhanced GME payments are anticipated to increase by the DRI trend factor of 4.4%.

Governor recommended as requested.

	Total	GR	Federal	Other
Direct Medicaid	$22,474,501	$0	$0	$22,474,501
Inpatient, Outpatient, Enhanced GME Payments	$12,325,499	$0	$0	$12,325,499
Total	$34,800,000	$0	$0	$34,800,000

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0		34,800,000		34,800,000		
Total PSD	**0**		**0**		**34,800,000**		**34,800,000**		**0**
Transfers									
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**34,800,000**	**0.0**	**34,800,000**	**0.0**	**0**

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.									
Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR	Gov Rec FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**		**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**			**0**		**0**		**0**		**0**
Program Distributions						34,800,000		34,800,000		
Total PSD	**0**			**0**		**34,800,000**		**34,800,000**		**0**
Transfers										
Total TRF	**0**			**0**		**0**		**0**		**0**
Grand Total	**0**		**0.0**	**0**	**0.0**	**34,800,000**	**0.0**	**34,800,000**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

FRA as a Funding Source in the Various Appropriations	SFY			
	2010	2011	2012	2013
Revenue Max / Admin	$100,133	$100,133	$100,133	$101,244
Managed Care	$93,533,441	$93,533,441	$93,533,441	$108,629,699
Hospital	$148,913,958	$185,298,958	$185,298,958	$188,702,995
Women's Health Services	$167,756	$167,756	$167,756	$403,656
Show-Me Health (SB 306)*	$52,615,793			
Medical Homes				$100,000
CHIP	$7,719,204	$7,719,204	$7,719,204	$10,269,005
Total	$303,050,285	$286,819,492	$286,819,492	$308,206,599

**Appropriation contingent on passage of enabling legislation (SB 306). Enabling legislation did not pass.*

6b. Provide an efficiency measure.

FRA Tax Assessments Revenues Obtained*	
SFY	
2010	$885,100,000
2011	$919,300,000
2012	$1,007,200,000
2013	$1,062,500,000
2014	$1,109,100,000
2015	$1,157,900,000

**Projections assume the federal government continues to allow tax rate maximum of 6%.*

6c. Provide the number of clients/individuals served, if applicable.

FRA payments are made on behalf of MO HealthNet participants and the uninsured accessing hospital services.

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FED REIMB ALLOWANCE								
FRA Increase Authority - 1886021								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	34,800,000	0.00	34,800,000	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**34,800,000**	**0.00**	**34,800,000**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$34,800,000**	**0.00**	**$34,800,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$34,800,000**	**0.00**	**$34,800,000**	**0.00**

IGT Expend Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT EXPEND TRANSFER								
CORE								
FUND TRANSFERS								
INTERGOVERNMENTAL TRANSFER	88,540,202	0.00	82,200,000	0.00	82,200,000	0.00	82,200,000	0.00
TOTAL - TRF	88,540,202	0.00	82,200,000	0.00	82,200,000	0.00	82,200,000	0.00
TOTAL	**88,540,202**	**0.00**	**82,200,000**	**0.00**	**82,200,000**	**0.00**	**82,200,000**	**0.00**
Transfer Authority Increase - 1886016								
FUND TRANSFERS								
INTERGOVERNMENTAL TRANSFER	0	0.00	0	0.00	4,256,256	0.00	4,256,256	0.00
TOTAL - TRF	0	0.00	0	0.00	4,256,256	0.00	4,256,256	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,256,256**	**0.00**	**4,256,256**	**0.00**
GRAND TOTAL	**$88,540,202**	**0.00**	**$82,200,000**	**0.00**	**$86,456,256**	**0.00**	**$86,456,256**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT Transfer

Budget Unit 90570C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			82,200,000	82,200,000
Total	0	0	82,200,000	82,200,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			82,200,000	82,200,000
Total	0	0	82,200,000	82,200,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

3. PROGRAM LISTING (list programs included in this core funding)

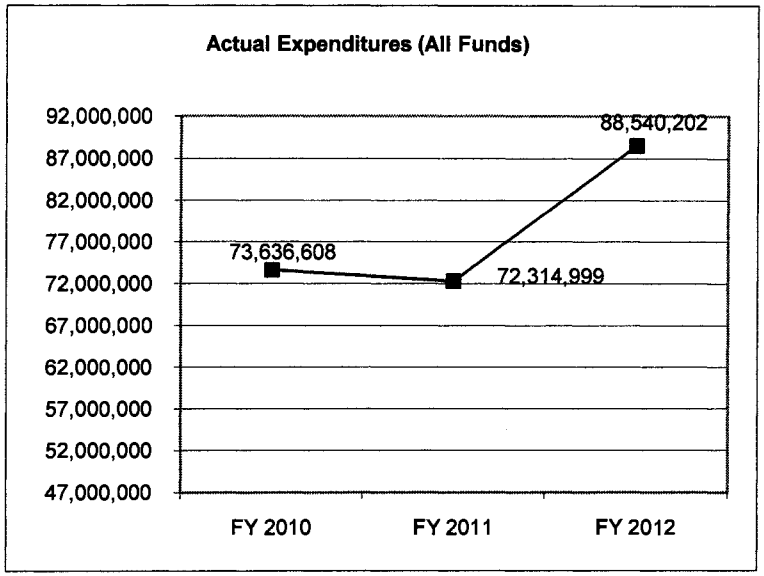
IGT Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	82,200,000	82,200,000	88,550,000	82,200,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	82,200,000	82,200,000	88,550,000	N/A
Actual Expenditures (All Funds)	73,636,608	72,314,999	88,540,202	N/A
Unexpended (All Funds)	8,563,392	9,885,001	9,798	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	8,563,392	9,885,001	9,798	N/A
			(1)	(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY2012: There was an "E" increase of $6,350,000.

(2) FY 2013: Estimated appropriation or "E" staus removed.

CORE RECONCILIATION DETAIL

STATE

IGT EXPEND TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	82,200,000	82,200,000	
	Total	**0.00**	**0**	**0**	**82,200,000**	**82,200,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	82,200,000	82,200,000	
	Total	**0.00**	**0**	**0**	**82,200,000**	**82,200,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	82,200,000	82,200,000	
	Total	**0.00**	**0**	**0**	**82,200,000**	**82,200,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT EXPEND TRANSFER								
CORE								
TRANSFERS OUT	88,540,202	0.00	82,200,000	0.00	82,200,000	0.00	82,200,000	0.00
TOTAL - TRF	**88,540,202**	**0.00**	**82,200,000**	**0.00**	**82,200,000**	**0.00**	**82,200,000**	**0.00**
GRAND TOTAL	**$88,540,202**	**0.00**	**$82,200,000**	**0.00**	**$82,200,000**	**0.00**	**$82,200,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$88,540,202**	**0.00**	**$82,200,000**	**0.00**	**$82,200,000**	**0.00**	**$82,200,000**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: IGT Transfer
Program is found in the following core budget(s): IGT Transfer

1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

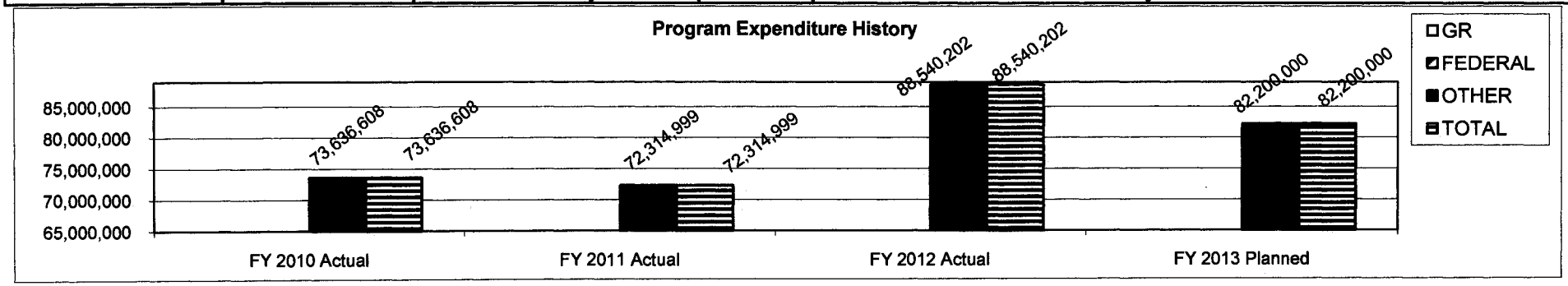
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for hospital services provided by public entities. Measures for hospital services are included in the hospital section.

IGT Safety Net Hospitals

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT SAFETY NET HOSPITALS								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	126,935,475	0.00	129,505,748	0.00	129,505,748	0.00	129,505,748	0.00
INTERGOVERNMENTAL TRANSFER	72,834,709	0.00	70,348,801	0.00	70,348,801	0.00	70,348,801	0.00
TOTAL - PD	199,770,184	0.00	199,854,549	0.00	199,854,549	0.00	199,854,549	0.00
TOTAL	**199,770,184**	**0.00**	**199,854,549**	**0.00**	**199,854,549**	**0.00**	**199,854,549**	**0.00**
GRAND TOTAL	**$199,770,184**	**0.00**	**$199,854,549**	**0.00**	**$199,854,549**	**0.00**	**$199,854,549**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT Safety Net Hospitals

Budget Unit: 90571C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD		129,505,748	70,348,801	199,854,549
TRF				
Total		129,505,748	70,348,801	199,854,549
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD		129,505,748	70,348,801	199,854,549
TRF				
Total		129,505,748	70,348,801	199,854,549
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

2. CORE DESCRIPTION

This core request is for funding payments for MO HealthNet participants and the uninsured through intergovernmental transfers for safety net hospitals. Safety net hospitals traditionally see a high volume of MO HealthNet/uninsured patients.

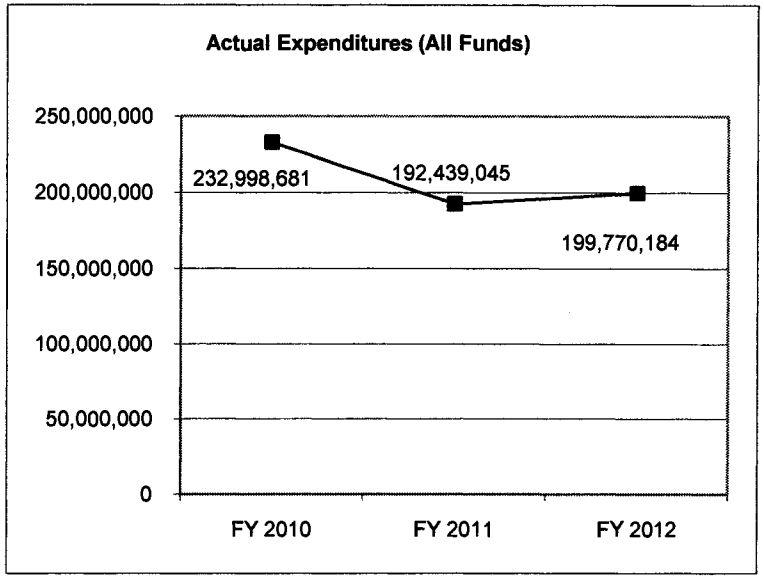
Payments from this program are made to the University of Missouri Hospitals and Clinics; Missouri Rehabilitation Center; Truman Medical Center Hospital-Hill; Truman Medical Center-Lakewood and the Department of Mental Health hospitals.

3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for Safety Net Hospitals.

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	234,904,000	199,854,549	203,474,549	199,854,549
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	234,904,000	199,854,549	203,474,549	N/A
Actual Expenditures (All Funds)	232,998,681	192,439,045	199,770,184	N/A
Unexpended (All Funds)	1,905,319	7,415,504	3,704,365	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	1,231,287	7,273,575	2,570,273	N/A
Other	674,032	141,929	1,134,092	N/A
	(1)		(2)	(3)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: "E" increase of $37,554,000 in Federal funds and $18,150,000 in Intergovernmental Transfers.

(2) FY 2012: "E" increase of $3,620,000 in IGT funds.

(3) FY 2013: Estimated appropriation or "E" status removed.

STATE
IGT SAFETY NET HOSPITALS

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	129,505,748	70,348,801	199,854,549	
	Total	**0.00**	**0**	**129,505,748**	**70,348,801**	**199,854,549**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	129,505,748	70,348,801	199,854,549	
	Total	**0.00**	**0**	**129,505,748**	**70,348,801**	**199,854,549**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	129,505,748	70,348,801	199,854,549	
	Total	**0.00**	**0**	**129,505,748**	**70,348,801**	**199,854,549**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT SAFETY NET HOSPITALS								
CORE								
PROGRAM DISTRIBUTIONS	199,770,184	0.00	199,854,549	0.00	199,854,549	0.00	199,854,549	0.00
TOTAL - PD	199,770,184	0.00	199,854,549	0.00	199,854,549	0.00	199,854,549	0.00
GRAND TOTAL	$199,770,184	0.00	$199,854,549	0.00	$199,854,549	0.00	$199,854,549	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$126,935,475	0.00	$129,505,748	0.00	$129,505,748	0.00	$129,505,748	0.00
OTHER FUNDS	$72,834,709	0.00	$70,348,801	0.00	$70,348,801	0.00	$70,348,801	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: IGT Safety Net Hospitals
Program is found in the following core budget(s): IGT Safety Net Hospitals

1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer funds to the state as the non-federal share of Medicaid payments. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

In FY 2009, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of hospital payments. The following state owned/operated hospitals and public hospitals are paid from this appropriation: (1) Metropolitan St. Louis Psychiatric Center; (2) Western Missouri Mental Health Center; (3) Hawthorne Children's Psychiatric Hospital; (4) Northwest Missouri Psychiatric Rehabilitation Center; (5) Fulton State Hospital; (6) Southeast Missouri Mental Health Center; (7) St. Louis Psychiatric Rehabilitation Center; (8) Missouri Rehabilitation Center; (9) University Hospital and Clinics; (10) Truman Medical Center – Hospital Hill; and (11) Truman Medical Center – Lakewood.

Under the IGT process, hospitals transfer the non-federal share of payments to the state prior to payments being made. The state pays out the total claimable amount including both federal and non-federal share. The state demonstrates that the non-federal share of the payments is transferred to, and under the administrative control of, the Medicaid agency (Department of Social Services) prior to the total computable payments being made to the hospitals.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

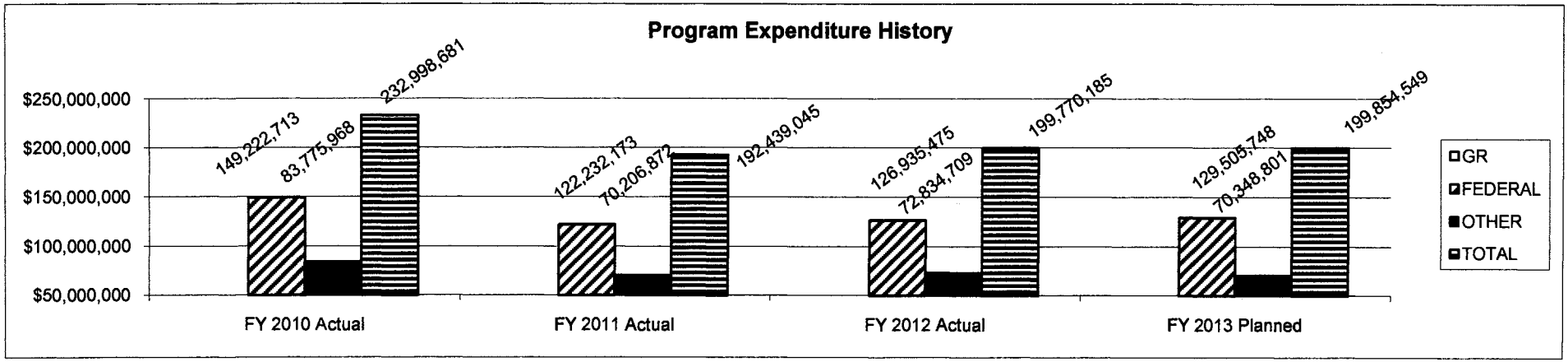
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 13 is a blended 61.89% federal match. The state matching requirement is 38.11%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

7a. Provide an effectiveness measure.

N/A

7b. Provide an efficiency measure.

N/A

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

IGT DMH Medicaid
Program

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT DMH MEDICAID PROGRAM								
CORE								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	158,028,557	0.00	147,553,359	0.00	147,553,359	0.00	147,553,359	0.00
INTERGOVERNMENTAL TRANSFER	89,996,373	0.00	90,858,921	0.00	90,858,921	0.00	90,858,921	0.00
TOTAL - PD	248,024,930	0.00	238,412,280	0.00	238,412,280	0.00	238,412,280	0.00
TOTAL	**248,024,930**	**0.00**	**238,412,280**	**0.00**	**238,412,280**	**0.00**	**238,412,280**	**0.00**
DMH IGT Increased Authority - 1886024								
FUND TRANSFERS								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	33,457,814	0.00
INTERGOVERNMENTAL TRANSFER	0	0.00	0	0.00	0	0.00	20,720,503	0.00
TOTAL - TRF	0	0.00	0	0.00	0	0.00	54,178,317	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**54,178,317**	**0.00**
GRAND TOTAL	**$248,024,930**	**0.00**	**$238,412,280**	**0.00**	**$238,412,280**	**0.00**	**$292,590,597**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: IGT DMH Medicaid Program

Budget Unit: 90571C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD		147,553,359	90,858,921	238,412,280	PSD		147,553,359	90,858,921	238,412,280
TRF					TRF				
Total		147,553,359	90,858,921	238,412,280	Total		147,553,359	90,858,921	238,412,280
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Intergovernmental Transfers (0139)

2. CORE DESCRIPTION

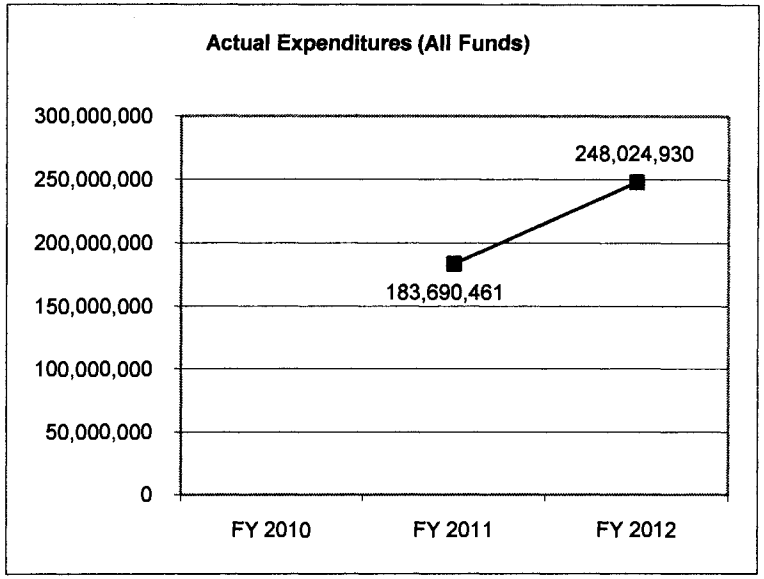
The core request is for funding payments for MO HealthNet participants and the uninsured through intergovernmental transfers for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) services.

3. PROGRAM LISTING (list programs included in this core funding)

Intergovernmental transfers for DMH Medicaid Program.

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	0	183,690,466	268,630,216	238,412,280
Less Reverted (All Funds)	0			N/A
Budget Authority (All Funds)	0	183,690,466	268,630,216	N/A
Actual Expenditures (All Funds)	0	183,690,461	248,024,930	N/A
Unexpended (All Funds)	0	5	20,605,286	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	4,869,997	N/A
Other	0	5	15,735,289	N/A
	(1)		(2)	(3)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2011:The IGT DMH Medicaid program started in FY 2011. Services provided by DMH prior to 2011.

(2) FY 2012: "E" increase of $90,000,000.

(3) FY 2013: Estimated appropriation or "E" status removed.

CORE RECONCILIATION DETAIL

STATE
IGT DMH MEDICAID PROGRAM

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	147,553,359	90,858,921	238,412,280	
	Total	**0.00**	**0**	**147,553,359**	**90,858,921**	**238,412,280**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	147,553,359	90,858,921	238,412,280	
	Total	**0.00**	**0**	**147,553,359**	**90,858,921**	**238,412,280**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	147,553,359	90,858,921	238,412,280	
	Total	**0.00**	**0**	**147,553,359**	**90,858,921**	**238,412,280**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
IGT DMH MEDICAID PROGRAM								
CORE								
PROGRAM DISTRIBUTIONS	248,024,930	0.00	238,412,280	0.00	238,412,280	0.00	238,412,280	0.00
TOTAL - PD	**248,024,930**	**0.00**	**238,412,280**	**0.00**	**238,412,280**	**0.00**	**238,412,280**	**0.00**
GRAND TOTAL	**$248,024,930**	**0.00**	**$238,412,280**	**0.00**	**$238,412,280**	**0.00**	**$238,412,280**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$158,028,557**	**0.00**	**$147,553,359**	**0.00**	**$147,553,359**	**0.00**	**$147,553,359**	**0.00**
OTHER FUNDS	**$89,996,373**	**0.00**	**$90,858,921**	**0.00**	**$90,858,921**	**0.00**	**$90,858,921**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: IGT DMH Medicaid Program
Program is found in the following core budget(s): IGT DMH Medicaid Program

1. What does this program do?

This program provides payments for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR). The Department of Mental Health (DMH) uses a cost-based reimbursement methodology to pay for Community Psychiatric Rehabilitation (CPR) and Comprehensive Substance Abuse Treatment and Rehabilitation (CSTAR) services. The state match is provided using an Intergovernmental Transfer process.

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers are called intergovernmental transfers (IGTs). This funding maximizes eligible costs for federal Medicaid funds, utilizing current state and local funding sources as match for services.

Beginning in FY 11, the MO HealthNet Division changed from a Certified Public Expenditure (CPE) process to an Intergovernmental Transfer (IGT) process for the non-federal share of CPR and CSTAR services. This methodology allows DMH to be reimbursed 100% of CPR and CSTAR costs. MO HealthNet pays DMH a reasonable rate for the total costs of providing CPR and CSTAR services. The IGT transfer proves that the state match is available for the CPR and CSTAR programs. The appropriated transfer from General Revenue is in the DMH budget. Under this methodology, reimbursement rates are established for CSTAR and CPR services and the MHD will reimburse DMH both the state and the federal share for these services.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

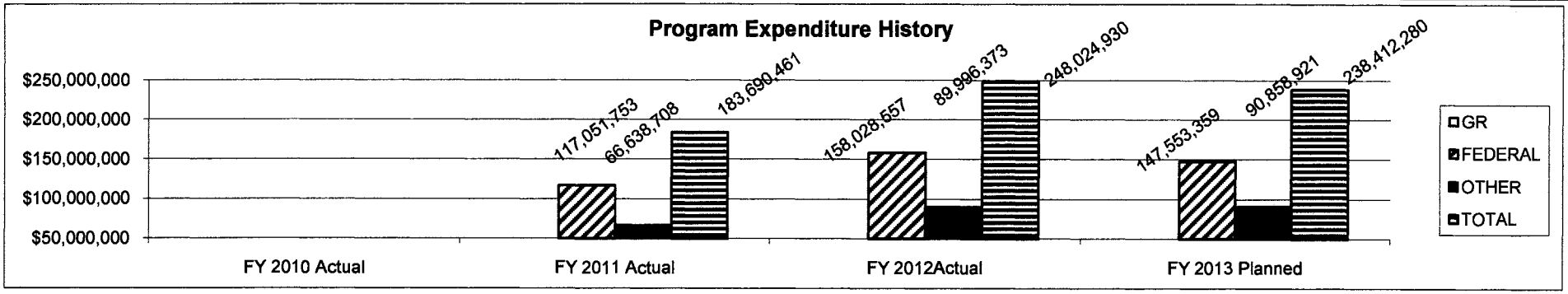
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY13 is a blended 61.89% federal match. The state matching requirement is 38.11%. For those public entities identified above who use state and local general revenue to provide eligible services to MO HealthNet participants, the MO HealthNet Division provides payment of the federal share for these eligible services.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



Program started in FY 2011.

6. What are the sources of the "Other " funds?

Department of Social Services Intergovernmental Transfer Fund (0139)

7a. Provide an effectiveness measure.

Effectiveness measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7b. Provide an efficiency measure.

Efficiency measures for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7c. Provide the number of clients/individuals served, if applicable.

The number of clients/individuals served for this program can be found in the Department of Mental Health budget under Comprehensive Substance Treatment and Rehabilitation, Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

7d. Provide a customer satisfaction measure, if available.

Customer satisfaction measures for this program can be found in the Department of Mental Health budget under Adult Community Programs - Community Treatment and Youth Community Programs - Community Treatment.

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	1,616,961	0.00	1,845,337	0.00	1,845,337	0.00	997,457	0.00
TITLE XIX-FEDERAL AND OTHER	8,140,829	0.00	8,791,150	0.00	8,791,150	0.00	8,791,150	0.00
FEDERAL REIMBURSMENT ALLOWANCE	87,443	0.00	403,656	0.00	167,756	0.00	167,756	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	49,034	0.00	49,034	0.00	49,034	0.00
TOTAL - PD	9,845,233	0.00	11,089,177	0.00	10,853,277	0.00	10,005,397	0.00
TOTAL	**9,845,233**	**0.00**	**11,089,177**	**0.00**	**10,853,277**	**0.00**	**10,005,397**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	235,900	0.00	235,900	0.00
TOTAL - PD	0	0.00	0	0.00	235,900	0.00	235,900	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**235,900**	**0.00**	**235,900**	**0.00**
Pharmacy PMPM Increase - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	25,687	0.00	25,687	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	231,184	0.00	231,184	0.00
TOTAL - PD	0	0.00	0	0.00	256,871	0.00	256,871	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**256,871**	**0.00**	**256,871**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	42,747	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	42,747	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**42,747**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(428,514)	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	(4,225,466)	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	0	0.00	(93,735)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(4,747,715)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(4,747,715)**	**0.00**
Women Ser Adj for Medicaid - 1886031								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(261,587)	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	751,157	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	489,570	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**489,570**	**0.00**
GRAND TOTAL	**$9,845,233**	**0.00**	**$11,089,177**	**0.00**	**$11,346,048**	**0.00**	**$6,282,770**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Women's Health Services

Budget Unit: 90554C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	1,845,337	8,791,150	216,790	10,853,277
TRF				
Total	1,845,337	8,791,150	216,790	10,853,277
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Pharmacy Reimbursement Allowance Fund (0144)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	997,457	8,791,150	216,790	10,005,397
TRF				
Total	997,457	8,791,150	216,790	10,005,397
FTE				0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Pharmacy Reimbursement Allowance Fund (0144)

2. CORE DESCRIPTION

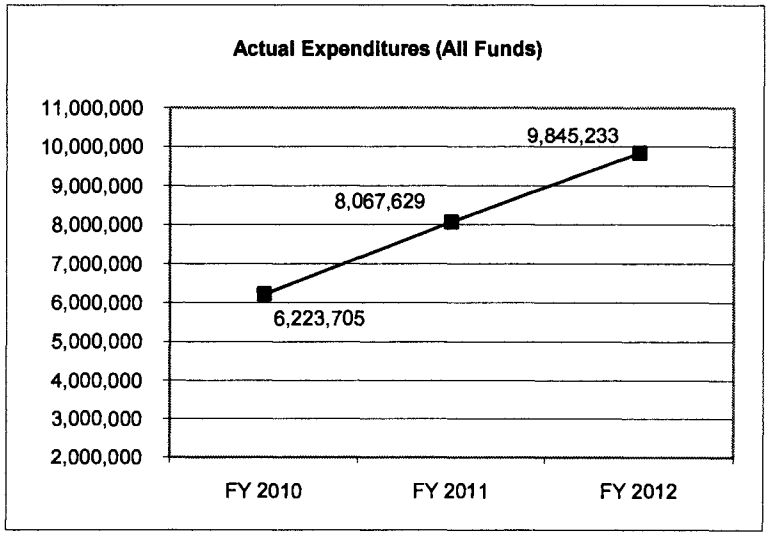
This core request is for ongoing funding for health care services provided to MO HealthNet participants covered through the 1115 Waiver. Funding for this core is used to provide coverage for women's health services.

3. PROGRAM LISTING (list programs included in this core funding)

Women's Health Services - 1115 Waiver

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	13,296,086	10,447,611	11,089,178	11,089,177
Less Reverted (All Funds)	(358,556)	0	0	N/A
Budget Authority (All Funds)	12,937,530	10,447,611	11,089,178	N/A
Actual Expenditures (All Funds)	6,223,705	8,067,629	9,845,233	N/A
Unexpended (All Funds)	6,713,825	2,379,982	1,243,945	N/A
Unexpended, by Fund:				
General Revenue	0	0	228,376	N/A
Federal	6,664,791	2,330,948	886,222	N/A
Other	49,034	49,034	129,347	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: Lapse of $49,034 in Other (Pharmacy Reimbursement Allowance) is agency reserve.
Expenditures of $102,666 were paid from the Supplemental Pool.

(2) FY 2011: Expenditures of $569,812 were paid from the Supplemental Pool.
Agency Reserve of $49,034 Pharmacy Reimbursement Allowance Fund.

(3) FY 2012: Agency Reserve of $49,034 Pharmacy Reimbursement Allowance Fund.

Cost Per Eligible	*Women's Health Services PMPM*
Pharmacy	$2.15
Physician Related	$10.70
EPSDT Services	$0.02
Hospitals	$0.30
Total	$13.17

Source: Table 24 Medical Statistics for Fiscal Year 2012 (Paid Claims Data)

Health care entities use per member per month (PMPM) calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

CORE RECONCILIATION DETAIL

STATE
WOMEN'S HEALTH SRVC

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	1,845,337	8,791,150	452,690	11,089,177	
		Total	**0.00**	**1,845,337**	**8,791,150**	**452,690**	**11,089,177**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1644 2531	PD	0.00	0	0	(235,900)	(235,900)	Core reduciton of one time FRA fund appropriated for FY 2013 FMAP adjustment. Corresponding GR pickup NDI.
NET DEPARTMENT CHANGES			**0.00**	**0**	**0**	**(235,900)**	**(235,900)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	1,845,337	8,791,150	216,790	10,853,277	
		Total	**0.00**	**1,845,337**	**8,791,150**	**216,790**	**10,853,277**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	1972 4511	PD	0.00	(805,133)	0	0	(805,133)	
Core Reduction	2315 4511	PD	0.00	(42,747)	0	0	(42,747)	
NET GOVERNOR CHANGES			**0.00**	**(847,880)**	**0**	**0**	**(847,880)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	997,457	8,791,150	216,790	10,005,397	
		Total	**0.00**	**997,457**	**8,791,150**	**216,790**	**10,005,397**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
CORE								
PROGRAM DISTRIBUTIONS	9,845,233	0.00	11,089,177	0.00	10,853,277	0.00	10,005,397	0.00
TOTAL - PD	**9,845,233**	**0.00**	**11,089,177**	**0.00**	**10,853,277**	**0.00**	**10,005,397**	**0.00**
GRAND TOTAL	**$9,845,233**	**0.00**	**$11,089,177**	**0.00**	**$10,853,277**	**0.00**	**$10,005,397**	**0.00**
GENERAL REVENUE	**$1,616,961**	**0.00**	**$1,845,337**	**0.00**	**$1,845,337**	**0.00**	**$997,457**	**0.00**
FEDERAL FUNDS	**$8,140,829**	**0.00**	**$8,791,150**	**0.00**	**$8,791,150**	**0.00**	**$8,791,150**	**0.00**
OTHER FUNDS	**$87,443**	**0.00**	**$452,690**	**0.00**	**$216,790**	**0.00**	**$216,790**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Women's Health Services
Program is found in the following core budget(s): Women's Health Services

1. What does this program do?

Provides funding for health care services to MO HealthNet clients covered by an approved Centers for Medicare and Medicaid (CMS) 1115 waiver. Clients that are covered through the 1115 waiver receive Women's Health Services.

Under the 1115 Waiver, uninsured women losing their MO HealthNet eligibility 60 days after the birth of their child are eligible for women's health services for one year (12 months). Legislation passed in FY 07 (SB 577) and an approved amendment to the CMS 1115 waiver resulted in the expansion of these services January 1, 2009 to uninsured women who are 18 to 55 years of age, have a net family income at or below 185% FPL with assets totaling less than $250,000 and have no access to health insurance covering family planning services. These new women are not limited to one year of coverage and remain eligible for the program as long as they continue to meet eligibility requirements and require family planning services. Women's health services are defined as:

- Department of Health and Human Services approved methods of contraception;
- Sexually transmitted disease testing and treatment, including pap tests and pelvic exams;
- Family planning counseling/education on various methods of birth control; and
- Drugs, supplies or devices related to the women's health services described above when they are prescribed by a physician or advanced practice nurse (subject to the national drug rebate program requirements).

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State Statute: RSMo. 208.040, 208.151 and 208.659; Federal law: Social Security Act Sections 1115 and 1923(a)-(f); Federal Regulations: 42 CFR 433 Subpart B and 412.106.

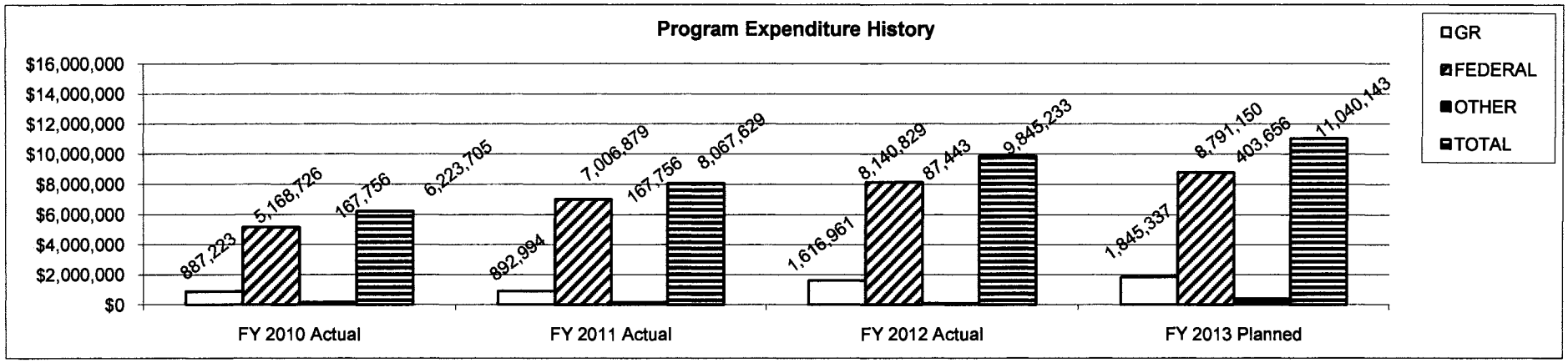
3. Are there federal matching requirements? If yes, please explain.

Most of the services provided through the Women's Health Services program are eligible for an enhanced 90% federal match, requiring a state match of only 10%. The remaining services are matched at the federal medical assistance percentage (FMAP) calculated for MO HealthNet program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's FMAP for FY13 for these remaining services is a blended 61.89% federal match. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



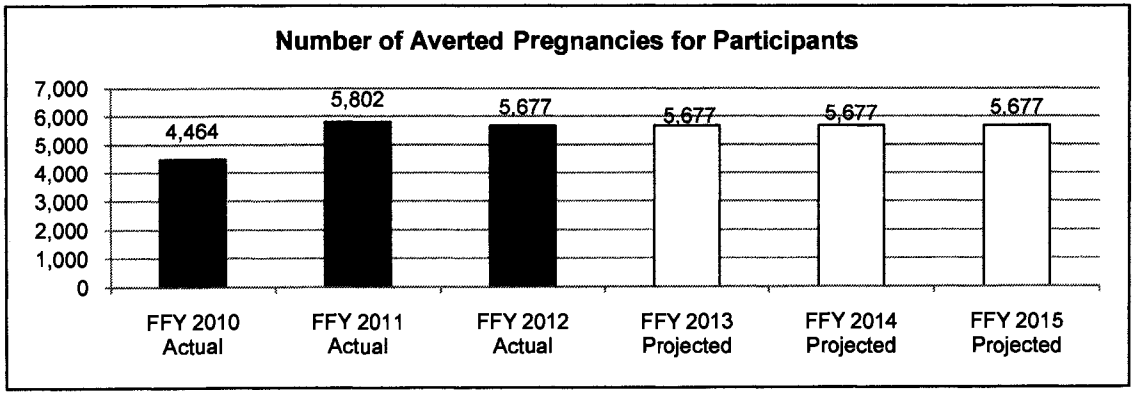
FY 2013 planned is net of reserves. Reserves: $49,034 Other Funds

6. What are the sources of the "Other" funds?

Federal Reimbursement Allowance Fund (0142) and Pharmacy Reimbursement Allowance Fund (0144).

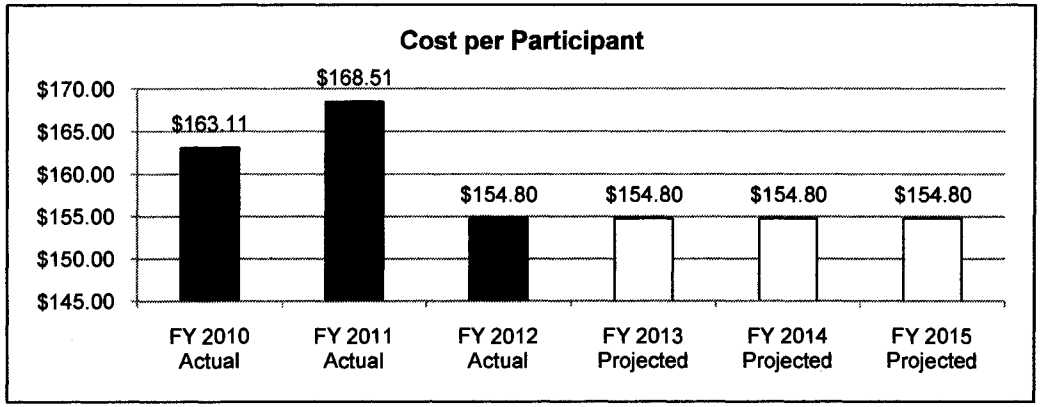
7a. Provide an effectiveness measure.

Increase the number of averted pregnancies for participants. The Women's Health Services program provides family planning services to women assisting them in avoiding unintended pregnancies.



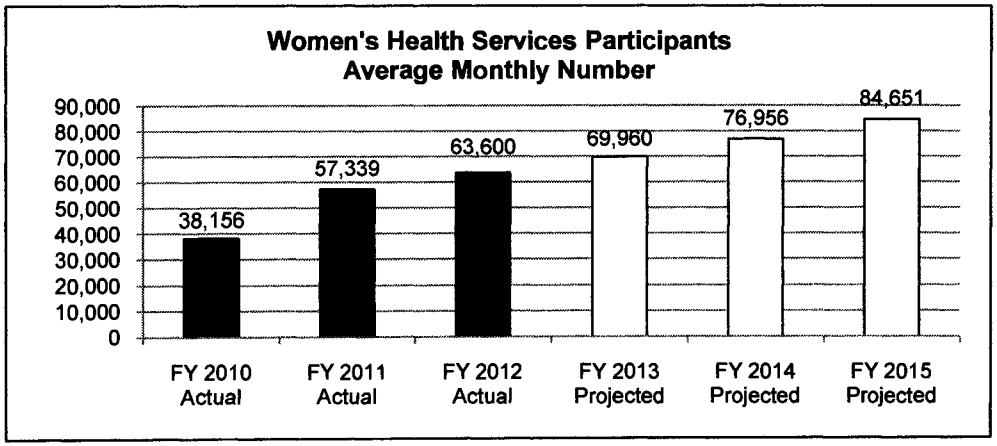
7b. Provide an efficiency measure.

Provide education and outreach to encourage women to access family planning services. Over 63,000 participants accessed family planning services in FY 2012 at a cost of $9.8 million. The cost per participant was $155.



7c. Provide the number of clients/individuals served, if applicable.

SB 577 (FY07) and an approved amendment to the CMS 1115 waiver provided for an expansion of Women's Health Services to women 18 to 55 years of age with a net family income of 185% FPL or below, with assets less than $250,000 and no access to insurance covering family planning services. Expanded services began January 1, 2009. The figures in the chart below are based on the average monthly number of participants enrolled in the program for each fiscal year.



7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM
RANK: 999

Department: Social Services | **Budget Unit: 90554C**
Division: MO HealthNet
DI Name: Womens Service Adjustment for Medicaid | **DI#: 1886034**

1. AMOUNT OF REQUEST

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF				
Total				0
FTE				
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	(261,587)	751,157		489,570
TRF				0
Total	(261,587)	751,157		489,570
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. THIS REQUEST CAN BE CATEGORIZED AS:

	New Legislation		New Program		Fund Switch
	Federal Mandate	X	Program Expansion		Cost to Continue
	GR Pick-Up		Space Request		Equipment Replacement
	Pay Plan		Other:		

3. WHY IS THIS FUNDING NEEDED? PROVIDE AN EXPLANATION FOR ITEMS CHECKED IN #2. INCLUDE THE FEDERAL OR STATE STATUTORY OR CONSTITUTIONAL AUTHORIZATION FOR THIS PROGRAM.

NDI SYNOPISIS: Expands Health Care Coverage to Missouri women with incomes below 138% of the Federal Poverty Level (FPL).

Federal law allows states to expand health care coverage under the Medicaid program to women up to 133% of the FPL. This same law includes a 5% disregard of income when determining eligibility for health care benefits; thus, adults with incomes up to 138% FPL will qualify. All costs for this population will be paid by the Federal government through calendar year 2016. Thereafter, the State share will phase in to a maximum of 10% by calendar year 2020.

4. DESCRIBE THE DETAILED ASSUMPTIONS USED TO DERIVE THE SPECIFIC REQUESTED AMOUNT. (How did you determine that the requested number of FTE were appropriate? From what source or standard did you derive the requested levels of funding? Were alternatives such as outsourcing or automation considered? If based on new legislation, does request tie to TAFP fiscal note? If not, explain why. Detail which portions of the request are one-times and how those amounts were calculated.)

Federal law allows states to expand health care coverage under the Medicaid program to women up to 133% of the FPL. This same law includes a 5% disregard of income when determining eligibility for health care benefits; thus, adults with incomes up to 138% FPL will qualify. All costs for this population will be paid by the Federal government through calendar year 2016. Thereafter, the State share will phase in to a maximum of 10% by calendar year 2020

GR Savings	($261,587)
Federal	$751,157
Total	$489,570

5. BREAK DOWN THE REQUEST BY BUDGET OBJECT CLASS, JOB CLASS, AND FUND SOURCE. IDENTIFY ONE-TIME COSTS.

Budget Object Class/Job Class	Dept Req GR DOLLARS	Dept Req GR FTE	Dept Req FED DOLLARS	Dept Req FED FTE	Dept Req OTHER DOLLARS	Dept Req OTHER FTE	Dept Req TOTAL DOLLARS	Dept Req TOTAL FTE	Dept Req One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	0		0				0		
Total PSD	**0**		**0**		**0**		**0**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**

Budget Object Class/Job Class	Gov Rec GR DOLLARS	Gov Rec GR FTE	Gov Rec FED DOLLARS	Gov Rec FED FTE	Gov Rec OTHER DOLLARS	Gov Rec OTHER FTE	Gov Rec TOTAL DOLLARS	Gov Rec TOTAL FTE	Gov Rec One-Time DOLLARS
Total PS	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**
Total EE	**0**		**0**		**0**		**0**		**0**
Program Distributions	261,587		751,157				489,570		
Total PSD	**261,587**		**751,157**		**0**		**489,570**		**0**
Transfers							0		
Total TRF	**0**		**0**		**0**		**0**		**0**
Grand Total	**261,587**	**0.0**	**751,157**	**0.0**	**0**	**0.0**	**489,570**	**0.0**	**0**

6. PERFORMANCE MEASURES (If new decision item has an associated core, separately identify projected performance with & without additional funding.)

6a. Provide an effectiveness measure.

N/A

6b. Provide an efficiency measure.

N/A

6c. Provide the number of clients/individuals served, if applicable.

N/A

6d. Provide a customer satisfaction measure, if available.

N/A

7. STRATEGIES TO ACHIEVE THE PERFORMANCE MEASUREMENT TARGETS:

N/A

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
WOMEN'S HEALTH SRVC								
Women Ser Adj for Medicaid - 1886031								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	0	0.00	489,570	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**489,570**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$489,570**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**($261,587)**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$751,157**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

CHIP

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	27,758,255	0.00	27,758,255	0.00	27,758,255	0.00	27,513,233	0.00
TITLE XIX-FEDERAL AND OTHER	129,168,619	0.00	130,434,010	0.00	130,434,010	0.00	130,434,010	0.00
PHARMACY REBATES	225,430	0.00	225,430	0.00	225,430	0.00	225,430	0.00
FEDERAL REIMBURSMENT ALLOWANCE	7,719,204	0.00	10,269,005	0.00	7,719,204	0.00	7,719,204	0.00
PHARMACY REIMBURSEMENT ALLOWAN	0	0.00	907,611	0.00	907,611	0.00	907,611	0.00
HEALTH INITIATIVES	5,214,309	0.00	5,375,576	0.00	5,375,576	0.00	5,375,576	0.00
LIFE SCIENCES RESEARCH TRUST	171,206	0.00	171,206	0.00	171,206	0.00	171,206	0.00
PREMIUM	2,592,452	0.00	2,592,452	0.00	2,592,452	0.00	2,592,452	0.00
TOTAL - PD	172,849,475	0.00	177,733,545	0.00	175,183,744	0.00	174,938,722	0.00
TOTAL	**172,849,475**	**0.00**	**177,733,545**	**0.00**	**175,183,744**	**0.00**	**174,938,722**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	2,549,801	0.00	2,549,801	0.00
TOTAL - PD	0	0.00	0	0.00	2,549,801	0.00	2,549,801	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**2,549,801**	**0.00**	**2,549,801**	**0.00**
Pharmacy PMPM Increase - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	355,769	0.00	355,769	0.00
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	1,935,353	0.00	1,935,353	0.00
PHARMACY REBATES	0	0.00	0	0.00	355,769	0.00	355,769	0.00
TOTAL - PD	0	0.00	0	0.00	2,646,891	0.00	2,646,891	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**2,646,891**	**0.00**	**2,646,891**	**0.00**
Managed Care Inflation Incr. - 1886013								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	1,319,891	0.00	188,720	0.00

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
Managed Care Inflation Incr. - 1886013								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	3,590,051	0.00	306,153	0.00
TOTAL - PD	0	0.00	0	0.00	4,909,942	0.00	494,873	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**4,909,942**	**0.00**	**494,873**	**0.00**
FMAP Adjustment - 1886022								
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	0	0.00	0	0.00	0	0.00	245,022	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	245,022	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**245,022**	**0.00**
GRAND TOTAL	**$172,849,475**	**0.00**	**$177,733,545**	**0.00**	**$185,290,378**	**0.00**	**$180,875,309**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Children's Health Insurance Program (CHIP)

Budget Unit: 90556C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD	27,758,255	130,434,010	16,991,479	175,183,744
TRF				
Total	27,758,255	130,434,010	16,991,479	175,183,744
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Health Initiative Fund (HIF) (0275)
Pharmacy Rebates Fund (0114)
Pharmacy Reimbursement Allowance Fund (0144)
Premium Fund (0885)
Life Sciences Research Trust Fund (0763)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD	27,513,233	130,434,010	16,991,479	174,938,722
TRF				
Total	27,513,233	130,434,010	16,991,479	174,938,722
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance Fund (FRA) (0142)
Health Initiative Fund (HIF) (0275)
Pharmacy Rebates Fund (0114)
Pharmacy Reimbursement Allowance Fund (0144)
Premium Fund (0885)
Life Sciences Research Trust Fund (0763)

2. CORE DESCRIPTION

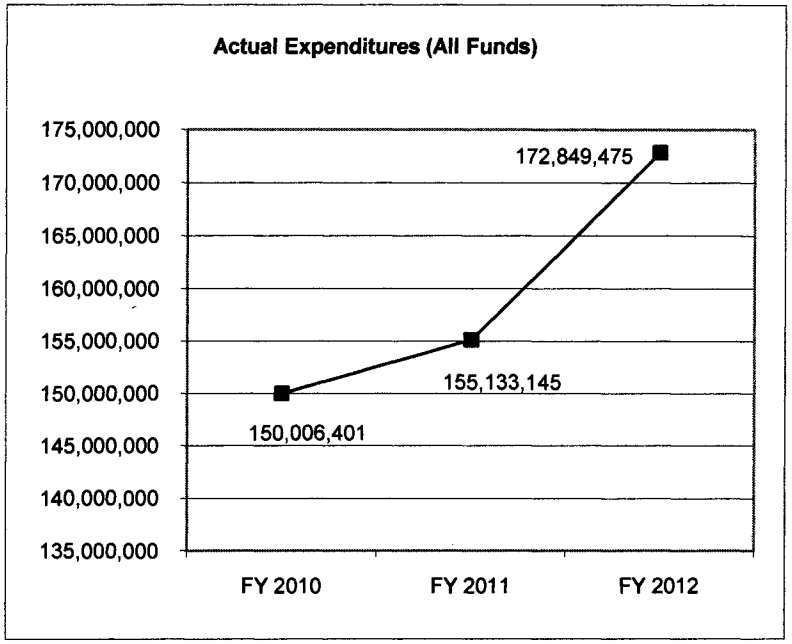
This core request is for ongoing funding for health care services provided to MO HealthNet clients. The Children's Health Insurance Program (CHIP) Title XXI funds are utilized for this expanded MO HealthNet population. Funding for this core is used to provide coverage for uninsured children.

3. PROGRAM LISTING (list programs included in this core funding)

Children's Health Insurance Program (CHIP)

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	190,849,618	156,387,490	177,733,546	177,733,545
Less Reverted (All Funds)	(9,081,038)	(161,267)	(161,267)	N/A
Budget Authority (All Funds)	181,768,580	156,226,223	177,572,279	N/A
Actual Expenditures (All Funds)	150,006,401	155,133,145	172,849,475	N/A
Unexpended (All Funds)	31,762,179	1,093,078	4,722,804	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	30,092,912	0	0	N/A
Other	1,669,267	1,093,078	4,722,804	N/A
	(1)	(2)	(3)	



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: Agency reserve of $1,369,563: $907,611 in Pharmacy Reimbursement Allowance and $461,952 in Premium Fund.

(2) FY 2011: Agency reserve of $919,563: $907,611 in Pharmacy Reimbursement Allowance and $11,952 in Premium Fund.

(3) FY 2012: Supplemental Pool Expenditures $132,203.

4. FINANCIAL HISTORY

CHIP Cost Per Eligible	
	CHIP PMPM
Pharmacy	$60.46
Physician Related	$15.17
Dental	$2.06
In-Home Services	$0.04
Rehab & Specialty	$2.28
EPSDT Services	$11.62
Managed Care	$90.10
Hospitals	$20.99
Mental Health Services	$10.04
Services provided in State Inst	$1.19
Total	$213.95

Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The per member per month (PMPM) metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

Mental Health Services and Services provided in a State Institution are not part of this core.
Source: Table 23 Medical Statistics for Fiscal Year 2012 (Paid Claims Data)

STATE
CHILDREN'S HEALTH INS PROGRAM

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES								
		PD	0.00	27,758,255	130,434,010	19,541,280	177,733,545	
		Total	**0.00**	**27,758,255**	**130,434,010**	**19,541,280**	**177,733,545**	
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1645 2868	PD	0.00	0	0	(2,549,801)	(2,549,801)	Core cut one time FRA fund authority appropriated as part of FY 2013 FMAP adjustment. GR pickup NDI.
NET DEPARTMENT CHANGES			**0.00**	**0**	**0**	**(2,549,801)**	**(2,549,801)**	
DEPARTMENT CORE REQUEST								
		PD	0.00	27,758,255	130,434,010	16,991,479	175,183,744	
		Total	**0.00**	**27,758,255**	**130,434,010**	**16,991,479**	**175,183,744**	
GOVERNOR'S ADDITIONAL CORE ADJUSTMENTS								
Core Reduction	2317 2866	PD	0.00	(245,022)	0	0	(245,022)	
NET GOVERNOR CHANGES			**0.00**	**(245,022)**	**0**	**0**	**(245,022)**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	27,513,233	130,434,010	16,991,479	174,938,722	
		Total	**0.00**	**27,513,233**	**130,434,010**	**16,991,479**	**174,938,722**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
CHILDREN'S HEALTH INS PROGRAM								
CORE								
PROGRAM DISTRIBUTIONS	172,849,475	0.00	177,733,545	0.00	175,183,744	0.00	174,938,722	0.00
TOTAL - PD	**172,849,475**	**0.00**	**177,733,545**	**0.00**	**175,183,744**	**0.00**	**174,938,722**	**0.00**
GRAND TOTAL	**$172,849,475**	**0.00**	**$177,733,545**	**0.00**	**$175,183,744**	**0.00**	**$174,938,722**	**0.00**
GENERAL REVENUE	**$27,758,255**	**0.00**	**$27,758,255**	**0.00**	**$27,758,255**	**0.00**	**$27,513,233**	**0.00**
FEDERAL FUNDS	**$129,168,619**	**0.00**	**$130,434,010**	**0.00**	**$130,434,010**	**0.00**	**$130,434,010**	**0.00**
OTHER FUNDS	**$15,922,601**	**0.00**	**$19,541,280**	**0.00**	**$16,991,479**	**0.00**	**$16,991,479**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Children's Health Insurance Program (CHIP)
Program is found in the following core budget(s): Children's Health Insurance Program (CHIP)

1. What does this program do?

The Children's Health Insurance Program is integrated into Missouri's MO HealthNet coverage. This integration was made possible through the passage of Senate Bill 632 of the second regular session of the 89th General Assembly (1998). Senate Bill 632 expanded the MO HealthNet program for children with family incomes up to 300% of the federal poverty level.

Using CHIP, Missouri continues its commitment to improve medical care for its low income children by increasing their access to comprehensive medical services.

Eligible children must be under age 19, have a family income below 300% of the federal poverty level, be uninsured for six months or more, and have no access to other health insurance coverage for less than $72 to $179 per month during SFY13 based on family size and income. Any child identified as having special health care needs (defined as a condition which left untreated would result in the death or serious physical injury of a child) who does not have access to affordable employer-subsidized health care insurance will not be required to be without health care coverage for six months in order to be eligible for services. They are also not subject to the waiting period as long as the child meets all other qualifications for eligibility.

Uninsured children with family income of 150% FPL or below receive a package of benefits equal to MO HealthNet coverage. Uninsured children with family income above 150% FPL receive a package of benefits equal to MO HealthNet coverage, excluding non-emergency medical transportation. Parents of children eligible for coverage above 150% and below 300% of the federal poverty level must show parental responsibility through the following:

- participation in immunization and wellness programs;
- furnishing the uninsured child's social security number;
- cooperation with third party insurance carriers;
- sharing in their children's health care costs through premiums.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.631 through 208.657; Federal law: Social Security Act, Title XXI; Federal Regulations: 42 CFR 457.

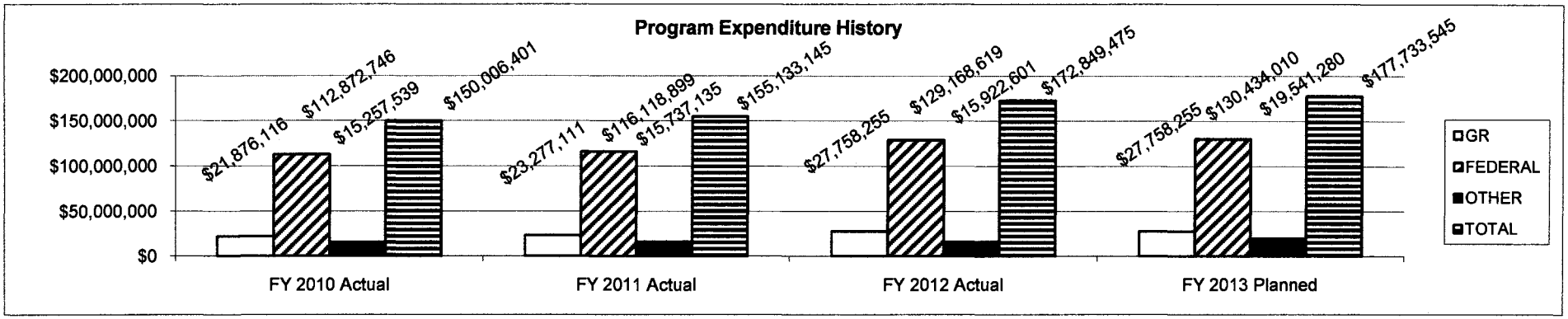
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on Medicaid program expenditures. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Missouri's enhanced CHIP FMAP for FY13 is a blended 73.325% federal match. The state matching requirement for the CHIP program is 26.675%.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



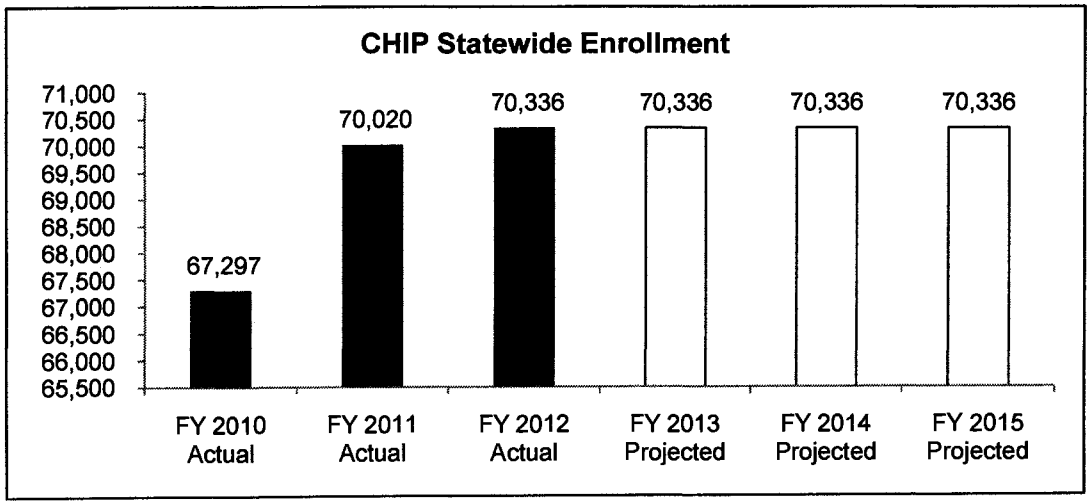
FY 12 actual expenditures do not reflect $132,203 paid from supplemental pool.

6. What are the sources of the "Other" funds?

Pharmacy Rebates Fund (0114), Federal Reimbursement Allowance Fund (0142), Pharmacy Reimbursement Allowance Fund (0144), Health Initiatives Fund

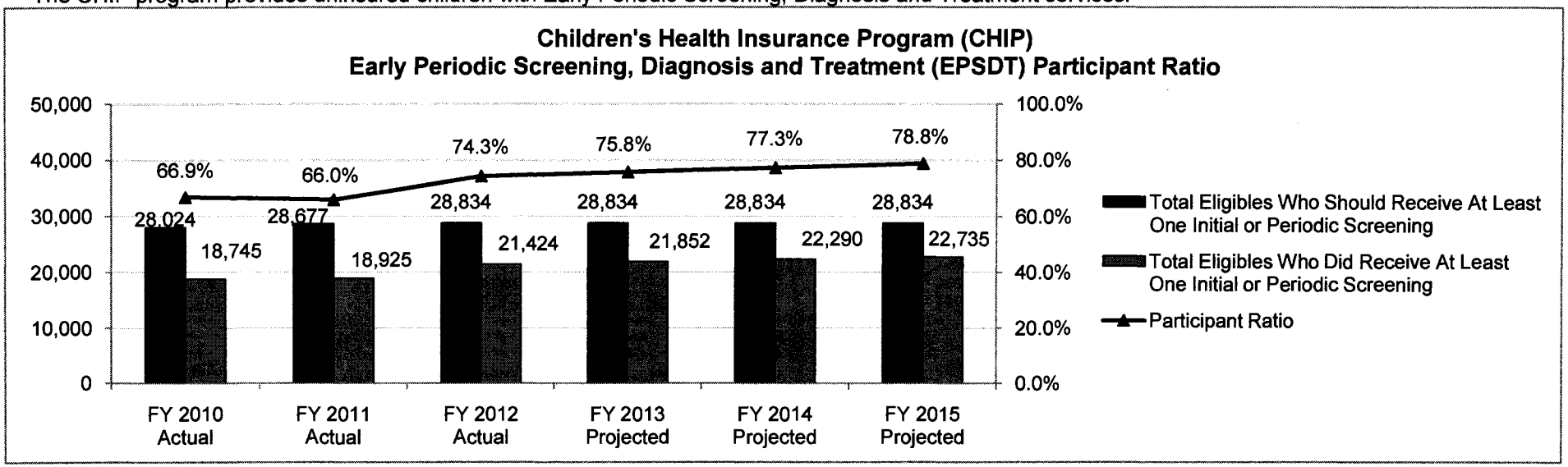
7a. Provide an effectiveness measure.

The CHIP program continues to provide health care coverage to thousands of Missouri's children. These children would be uninsured without CHIP coverage.



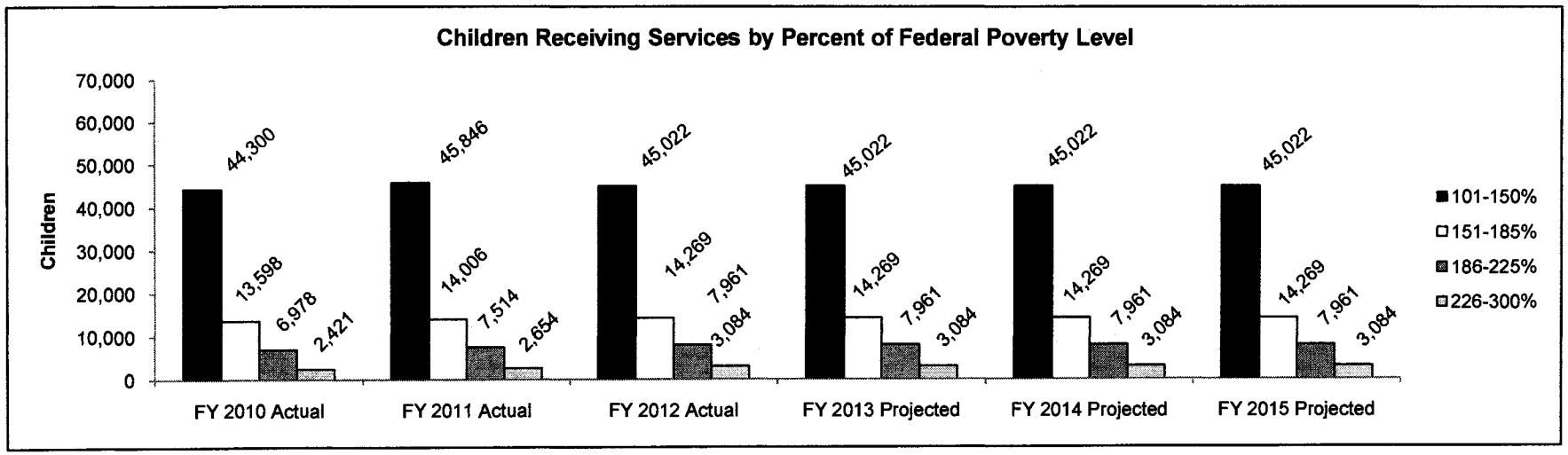
7b. Provide an efficiency measure.

The CHIP program provides uninsured children with Early Periodic Screening, Diagnosis and Treatment services.



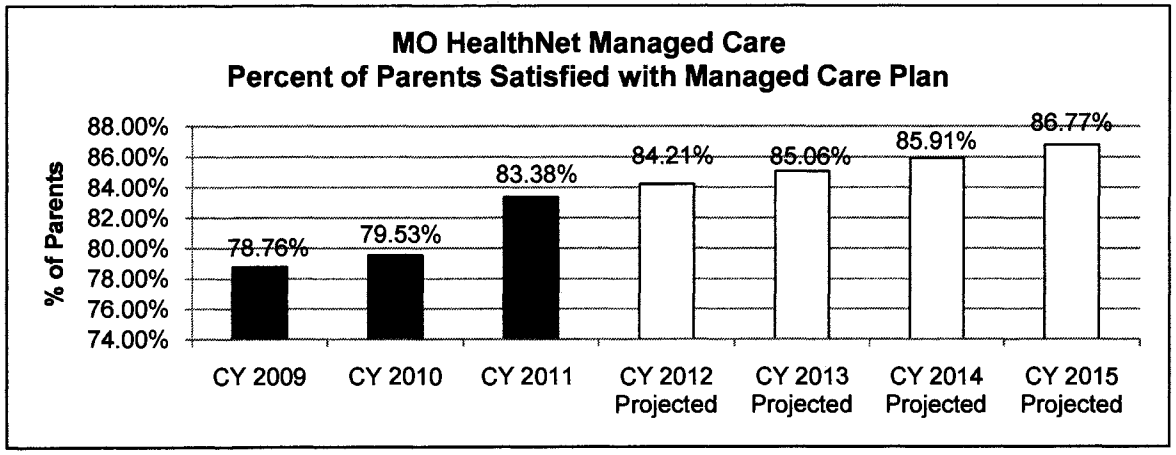
7c. Provide the number of clients/individuals served, if applicable.

Participants are children above the existing Title XIX Medicaid eligibility up to 300% of the federal poverty level (FPL). As of September 2005, children in the categories from 151-300% of the federal poverty level (FPL) are required to pay premiums.



7d. Provide a customer satisfaction measure, if available.

Children with CHIP coverage who reside in a MO HealthNet Managed Care region, receive their services from the MO HealthNet Managed Care health plans. Participants enrolled in MO HealthNet Managed Care health plans reported their satisfaction with the program on a scale of 0 to 10.
0 was the worst care possible and a 10 was the best care possible. The percentage of participants reporting an 8, 9, or 10 is reported in the chart below.



GR FRA- Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR FRA-TRANSFER								
CORE								
FUND TRANSFERS								
GENERAL REVENUE	561,254,770	0.00	470,000,000	0.00	470,000,000	0.00	470,000,000	0.00
TOTAL - TRF	561,254,770	0.00	470,000,000	0.00	470,000,000	0.00	470,000,000	0.00
TOTAL	**561,254,770**	**0.00**	**470,000,000**	**0.00**	**470,000,000**	**0.00**	**470,000,000**	**0.00**
Transfer Authority Increase - 1886016								
FUND TRANSFERS								
GENERAL REVENUE	0	0.00	0	0.00	99,173,828	0.00	99,173,828	0.00
TOTAL - TRF	0	0.00	0	0.00	99,173,828	0.00	99,173,828	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**99,173,828**	**0.00**	**99,173,828**	**0.00**
GRAND TOTAL	**$561,254,770**	**0.00**	**$470,000,000**	**0.00**	**$569,173,828**	**0.00**	**$569,173,828**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR Federal Reimbursement Allowance - Transfer

Budget Unit 90840C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	470,000,000		0	470,000,000
Total	470,000,000	0	0	470,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	470,000,000		0	470,000,000
Total	470,000,000	0	0	470,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose

3. PROGRAM LISTING (list programs included in this core funding)

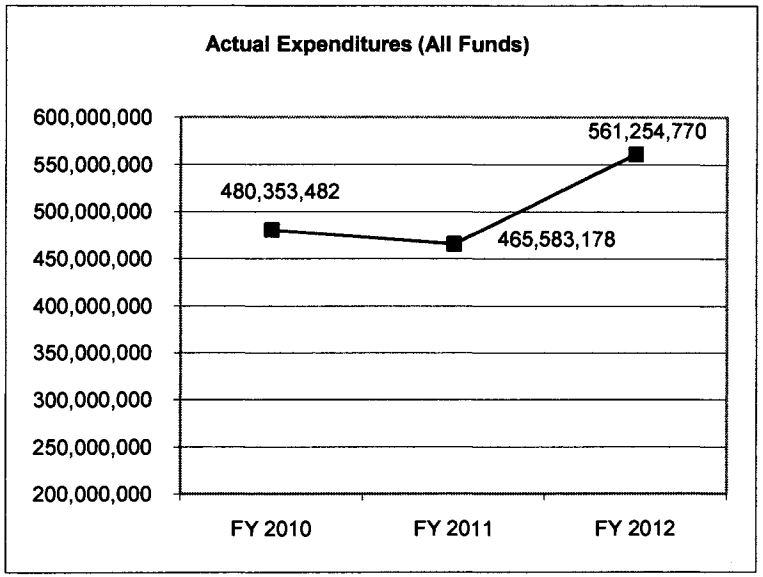
GR Federal Reimbursement Allowance - Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR Federal Reimbursement Allowance - Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	480,400,000	465,585,000	561,300,000	470,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	480,400,000	465,585,000	561,300,000	N/A
Actual Expenditures (All Funds)	480,353,482	465,583,178	561,254,770	N/A
Unexpended (All Funds)	46,518	1,822	45,230	N/A
Unexpended, by Fund:				
General Revenue	46,518	1,822	45,230	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

CORE RECONCILIATION DETAIL

STATE
GR FRA-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	470,000,000	0	0	470,000,000	
	Total	**0.00**	**470,000,000**	**0**	**0**	**470,000,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	470,000,000	0	0	470,000,000	
	Total	**0.00**	**470,000,000**	**0**	**0**	**470,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	470,000,000	0	0	470,000,000	
	Total	**0.00**	**470,000,000**	**0**	**0**	**470,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR FRA-TRANSFER								
CORE								
TRANSFERS OUT	561,254,770	0.00	470,000,000	0.00	470,000,000	0.00	470,000,000	0.00
TOTAL - TRF	561,254,770	0.00	470,000,000	0.00	470,000,000	0.00	470,000,000	0.00
GRAND TOTAL	$561,254,770	0.00	$470,000,000	0.00	$470,000,000	0.00	$470,000,000	0.00
GENERAL REVENUE	$561,254,770	0.00	$470,000,000	0.00	$470,000,000	0.00	$470,000,000	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: GR Federal Reimbursement Allowance - Transfer
Program is found in the following core budget(s): GR Federal Reimbursement Allowance - Transfer

1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

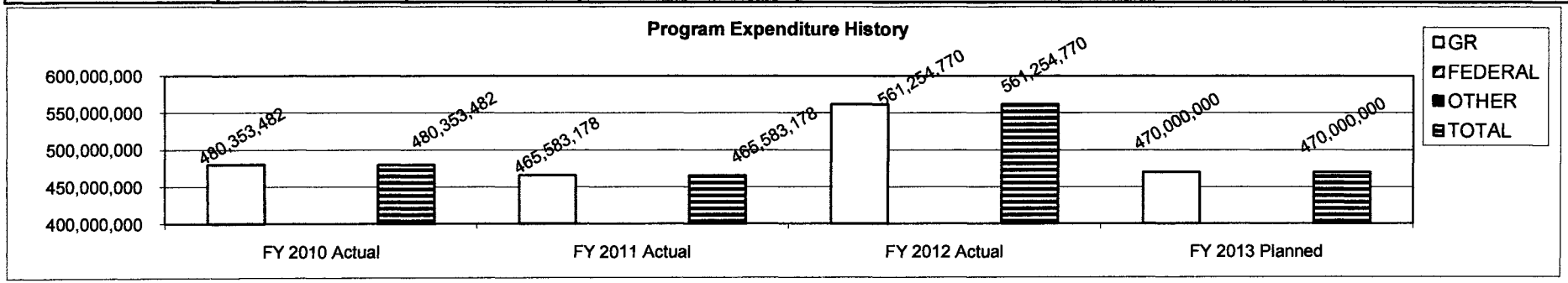
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

FRA Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FED REIMBURSE ALLOW-TRANSFER								
CORE								
FUND TRANSFERS								
FEDERAL REIMBURSMENT ALLOWANCE	561,254,770	0.00	470,000,000	0.00	470,000,000	0.00	470,000,000	0.00
TOTAL - TRF	561,254,770	0.00	470,000,000	0.00	470,000,000	0.00	470,000,000	0.00
TOTAL	**561,254,770**	**0.00**	**470,000,000**	**0.00**	**470,000,000**	**0.00**	**470,000,000**	**0.00**
Transfer Authority Increase - 1886016								
FUND TRANSFERS								
FEDERAL REIMBURSMENT ALLOWANCE	0	0.00	0	0.00	99,173,828	0.00	99,173,828	0.00
TOTAL - TRF	0	0.00	0	0.00	99,173,828	0.00	99,173,828	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**99,173,828**	**0.00**	**99,173,828**	**0.00**
GRAND TOTAL	**$561,254,770**	**0.00**	**$470,000,000**	**0.00**	**$569,173,828**	**0.00**	**$569,173,828**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federal Reimbursement Allowance - Transfer

Budget Unit 90845C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD					PSD				
TRF			470,000,000	470,000,000	TRF			470,000,000	470,000,000
Total	0	0	470,000,000	470,000,000	Total	0	0	470,000,000	470,000,000
FTE	0.00	0.00	0.00	0.00	FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance (0142)

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Federal Reimbursement Allowance (0142)

2. CORE DESCRIPTION

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

3. PROGRAM LISTING (list programs included in this core funding)

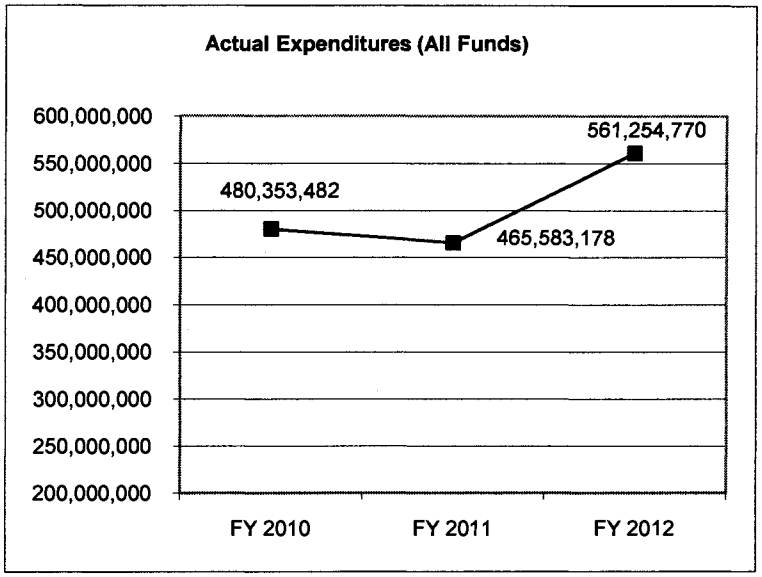
Federal Reimbursement Allowance - Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Federal Reimbursement Allowance - Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	480,400,000	465,585,000	561,300,000	470,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	480,400,000	465,585,000	561,300,000	N/A
Actual Expenditures (All Funds)	480,353,482	465,583,178	561,254,770	N/A
Unexpended (All Funds)	46,518	1,822	45,230	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	46,518	1,822	45,230	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010: There was an "E" increase of $30,400,000.

(2) FY 2011: There was an "E" increase of $15,585,000.

(3) FY 2012: There was an "E" increase of $111,300,000.

(4) FY 2013: Estimated appropriation or "E" status was removed.

CORE RECONCILIATION DETAIL

STATE

FED REIMBURSE ALLOW-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	470,000,000	470,000,000	
	Total	**0.00**	**0**	**0**	**470,000,000**	**470,000,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	470,000,000	470,000,000	
	Total	**0.00**	**0**	**0**	**470,000,000**	**470,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	470,000,000	470,000,000	
	Total	**0.00**	**0**	**0**	**470,000,000**	**470,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
FED REIMBURSE ALLOW-TRANSFER								
CORE								
TRANSFERS OUT	561,254,770	0.00	470,000,000	0.00	470,000,000	0.00	470,000,000	0.00
TOTAL - TRF	**561,254,770**	**0.00**	**470,000,000**	**0.00**	**470,000,000**	**0.00**	**470,000,000**	**0.00**
GRAND TOTAL	**$561,254,770**	**0.00**	**$470,000,000**	**0.00**	**$470,000,000**	**0.00**	**$470,000,000**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$561,254,770**	**0.00**	**$470,000,000**	**0.00**	**$470,000,000**	**0.00**	**$470,000,000**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Federal Reimbursement Allowance - Transfer
Program is found in the following core budget(s): Federal Reimbursement Allowance - Transfer

1. What does this program do?

Federal Medicaid regulation requires states to establish they have sufficient state dollars available in order to draw down federal dollars. This transfer is used for that purpose.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

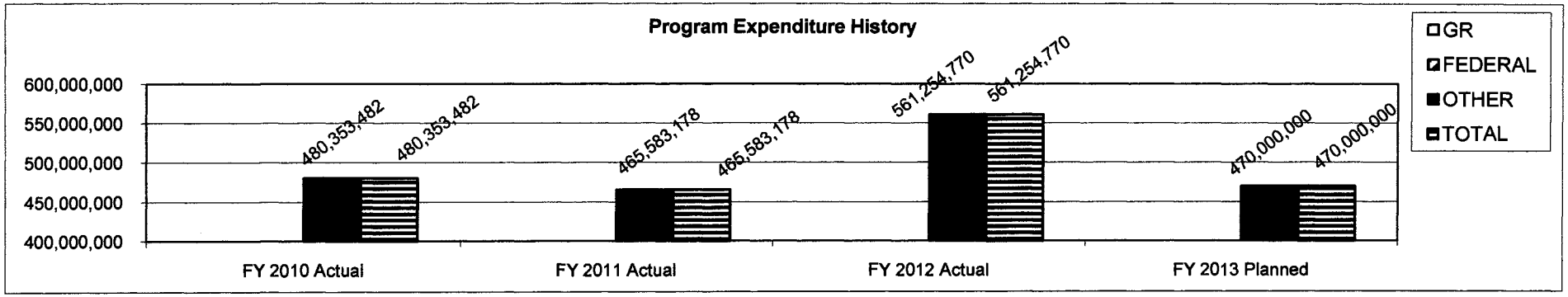
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Federal Reimbursement Allowance (0142)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for funds paid through the FRA program. Measures for FRA are included in the FRA section.

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR NFFRA-TRANSFER								
CORE								
FUND TRANSFERS								
GENERAL REVENUE	147,375,869	0.00	132,000,000	0.00	132,000,000	0.00	132,000,000	0.00
TOTAL - TRF	147,375,869	0.00	132,000,000	0.00	132,000,000	0.00	132,000,000	0.00
TOTAL	**147,375,869**	**0.00**	**132,000,000**	**0.00**	**132,000,000**	**0.00**	**132,000,000**	**0.00**
Transfer Authority Increase - 1886016								
FUND TRANSFERS								
GENERAL REVENUE	0	0.00	0	0.00	29,893,866	0.00	29,893,866	0.00
TOTAL - TRF	0	0.00	0	0.00	29,893,866	0.00	29,893,866	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**29,893,866**	**0.00**	**29,893,866**	**0.00**
GRAND TOTAL	**$147,375,869**	**0.00**	**$132,000,000**	**0.00**	**$161,893,866**	**0.00**	**$161,893,866**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR NFRA Transfer

Budget Unit: 90850C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	132,000,000			132,000,000
Total	132,000,000	0	0	132,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF	132,000,000			132,000,000
Total	132,000,000	0	0	132,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transfers allow the state to draw federal match for nursing facility services provided by public entities.

3. PROGRAM LISTING (list programs included in this core funding)

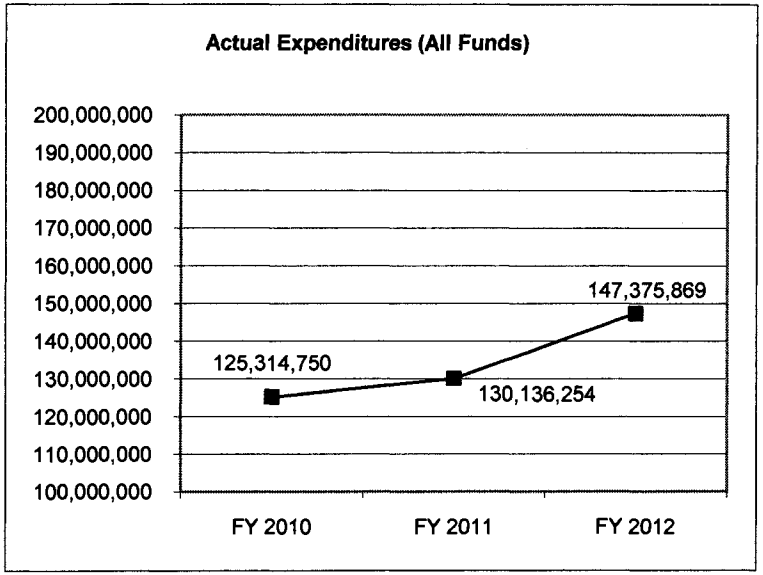
GR NFRA Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: GR NFRA Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	125,315,000	130,400,000	147,500,000	132,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	125,315,000	130,400,000	147,500,000	N/A
Actual Expenditures (All Funds)	125,314,750	130,136,254	147,375,869	N/A
Unexpended (All Funds)	250	263,746	124,131	N/A
Unexpended, by Fund:				
General Revenue	250	263,746	124,131	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

CORE RECONCILIATION DETAIL

STATE
GR NFFRA-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	132,000,000	0	0	132,000,000	
	Total	**0.00**	**132,000,000**	**0**	**0**	**132,000,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	132,000,000	0	0	132,000,000	
	Total	**0.00**	**132,000,000**	**0**	**0**	**132,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	132,000,000	0	0	132,000,000	
	Total	**0.00**	**132,000,000**	**0**	**0**	**132,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
GR NFFRA-TRANSFER								
CORE								
TRANSFERS OUT	147,375,869	0.00	132,000,000	0.00	132,000,000	0.00	132,000,000	0.00
TOTAL - TRF	**147,375,869**	**0.00**	**132,000,000**	**0.00**	**132,000,000**	**0.00**	**132,000,000**	**0.00**
GRAND TOTAL	**$147,375,869**	**0.00**	**$132,000,000**	**0.00**	**$132,000,000**	**0.00**	**$132,000,000**	**0.00**
GENERAL REVENUE	**$147,375,869**	**0.00**	**$132,000,000**	**0.00**	**$132,000,000**	**0.00**	**$132,000,000**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: GR NFRA Transfer
Program is found in the following core budget(s): GR NFRA Transfer

1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

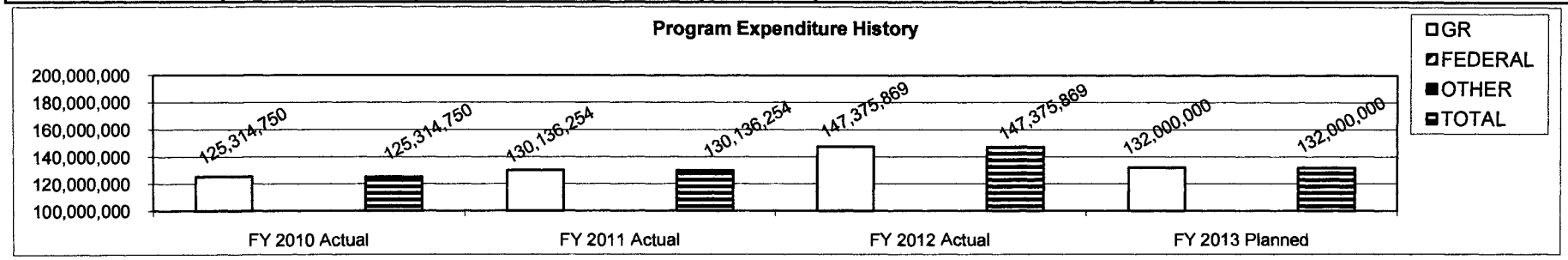
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

Nursing Facility
Reimbursement-Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITY REIM-TRANSFER								
CORE								
FUND TRANSFERS								
NURSING FACILITY FED REIM ALLW	147,375,869	0.00	132,000,000	0.00	132,000,000	0.00	132,000,000	0.00
TOTAL - TRF	147,375,869	0.00	132,000,000	0.00	132,000,000	0.00	132,000,000	0.00
TOTAL	**147,375,869**	**0.00**	**132,000,000**	**0.00**	**132,000,000**	**0.00**	**132,000,000**	**0.00**
Transfer Authority Increase - 1886016								
FUND TRANSFERS								
NURSING FACILITY FED REIM ALLW	0	0.00	0	0.00	29,893,866	0.00	29,893,866	0.00
TOTAL - TRF	0	0.00	0	0.00	29,893,866	0.00	29,893,866	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**29,893,866**	**0.00**	**29,893,866**	**0.00**
GRAND TOTAL	**$147,375,869**	**0.00**	**$132,000,000**	**0.00**	**$161,893,866**	**0.00**	**$161,893,866**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facility Reimbursement Transfer

Budget Unit: 90855C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			132,000,000	132,000,000
Total	0	0	132,000,000	132,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			132,000,000	132,000,000
Total	0	0	132,000,000	132,000,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	*0*	*0*	*0*	*0*

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

2. CORE DESCRIPTION

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. These transers allows the state to draw federal match for nursing facility services provided by public entities.

3. PROGRAM LISTING (list programs included in this core funding)

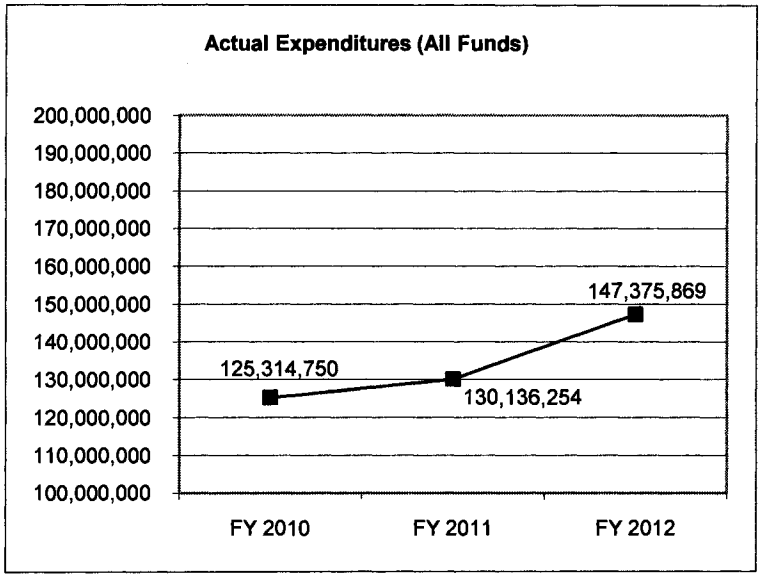
Nursing Facility Reimbursement Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facility Reimbursement Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	125,315,000	130,400,000	147,500,000	132,000,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	125,315,000	130,400,000	147,500,000	N/A
Actual Expenditures (All Funds)	125,314,750	130,136,254	147,375,869	N/A
Unexpended (All Funds)	250	263,746	124,131	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	250	263,746	124,131	N/A



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

CORE RECONCILIATION DETAIL

STATE
NURSING FACILITY REIM-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	132,000,000	132,000,000	
	Total	**0.00**	**0**	**0**	**132,000,000**	**132,000,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	132,000,000	132,000,000	
	Total	**0.00**	**0**	**0**	**132,000,000**	**132,000,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	132,000,000	132,000,000	
	Total	**0.00**	**0**	**0**	**132,000,000**	**132,000,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITY REIM-TRANSFER								
CORE								
TRANSFERS OUT	147,375,869	0.00	132,000,000	0.00	132,000,000	0.00	132,000,000	0.00
TOTAL - TRF	147,375,869	0.00	132,000,000	0.00	132,000,000	0.00	132,000,000	0.00
GRAND TOTAL	$147,375,869	0.00	$132,000,000	0.00	$132,000,000	0.00	$132,000,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$147,375,869	0.00	$132,000,000	0.00	$132,000,000	0.00	$132,000,000	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facility Reimbursement Transfer
Program is found in the following core budget(s): Nursing Facility Reimbursement Transfer

1. What does this program do?

Federal Medicaid regulation (42 CFR 433.51) allows state and local governmental units (including public providers) to transfer to the Medicaid agency the non-federal share of Medicaid payments. The amounts transferred are used as the state match to earn federal participation. This funding maximizes eligible state resources for federal Medicaid funds, utilizing current state and local funding sources as match for services.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.152, 208.153; Federal law: Social Security Act Sections 1905(a)(1) and (2)(d)(5)(h). Federal Regulations: 42 CFR 433.51 and 440.20.

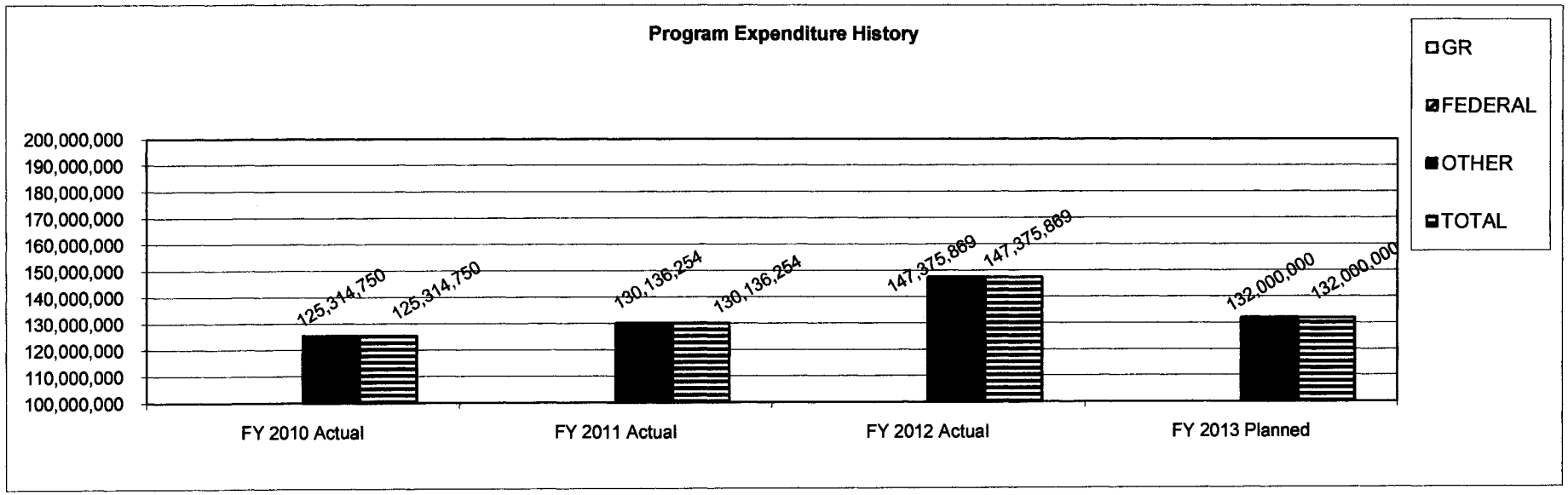
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Nursing Facility Federal Reimbursement Allowance (0196)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

Nursing Facility Quality
Transfer

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITY QLTY-TRANSFER								
CORE								
FUND TRANSFERS								
NURSING FACILITY FED REIM ALLW	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL - TRF	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL	**1,500,000**	**0.00**	**1,500,000**	**0.00**	**1,500,000**	**0.00**	**1,500,000**	**0.00**
GRAND TOTAL	**$1,500,000**	**0.00**	**$1,500,000**	**0.00**	**$1,500,000**	**0.00**	**$1,500,000**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facility Quality Transfer

Budget Unit 90860C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			1,500,000	1,500,000
Total	0	0	1,500,000	1,500,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD				
TRF			1,500,000	1,500,000
Total	0	0	1,500,000	1,500,000
FTE	0.00	0.00	0.00	0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimbursement Allowance (0196)

2. CORE DESCRIPTION

Transfer from the Nursing Facility Federal Reimbursement Allowance Fund to the Nursing Facility Quality of Care Fund to, upon appropriation, be used by the Department of Health and Senior Services for conducting inspections and surveys, and providing training and technical assistance to facilities licensed under the provisions of Chapter 198 of the Missouri Statutes. The transfer is provided for in RSMo 198.418.1.

3. PROGRAM LISTING (list programs included in this core funding)

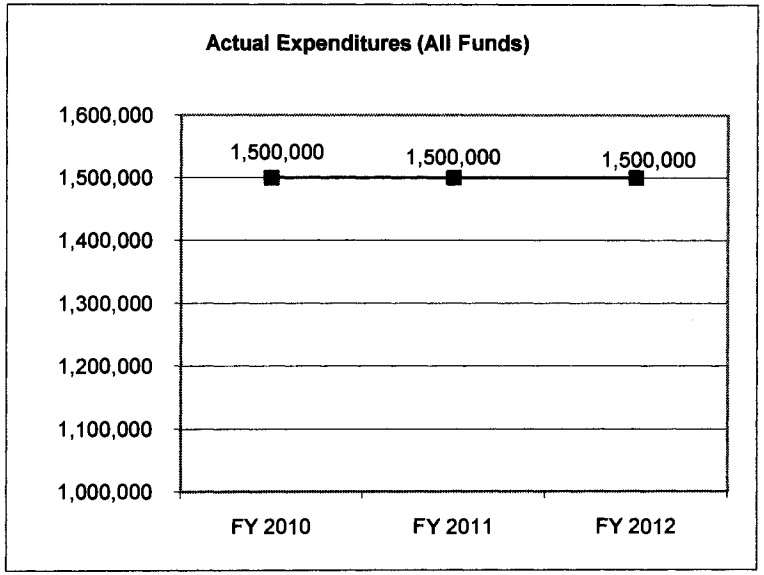
Nursing Facility Quality Transfer

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Nursing Facility Quality Transfer

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	1,500,000	1,500,000	1,500,000	1,500,000
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	1,500,000	1,500,000	1,500,000	N/A
Actual Expenditures (All Funds)	1,500,000	1,500,000	1,500,000	N/A
Unexpended (All Funds)	0	0	-	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	0	0	0	N/A



NOTES:

CORE RECONCILIATION DETAIL

STATE
NURSING FACILITY QLTY-TRANSFER

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	TRF	0.00	0	0	1,500,000	1,500,000	
	Total	**0.00**	**0**	**0**	**1,500,000**	**1,500,000**	
DEPARTMENT CORE REQUEST							
	TRF	0.00	0	0	1,500,000	1,500,000	
	Total	**0.00**	**0**	**0**	**1,500,000**	**1,500,000**	
GOVERNOR'S RECOMMENDED CORE							
	TRF	0.00	0	0	1,500,000	1,500,000	
	Total	**0.00**	**0**	**0**	**1,500,000**	**1,500,000**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITY QLTY-TRANSFER								
CORE								
TRANSFERS OUT	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
TOTAL - TRF	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00	1,500,000	0.00
GRAND TOTAL	$1,500,000	0.00	$1,500,000	0.00	$1,500,000	0.00	$1,500,000	0.00
GENERAL REVENUE	$0	0.00	$0	0.00	$0	0.00	$0	0.00
FEDERAL FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00
OTHER FUNDS	$1,500,000	0.00	$1,500,000	0.00	$1,500,000	0.00	$1,500,000	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facility Quality Transfer
Program is found in the following core budget(s): Nursing Facility Quality Transfer

1. What does this program do?

Transfer from the Nursing Facility Federal Reimbursement Allowance Fund to the Nursing Facility Quality of Care Fund to, upon appropriation, be used by the Department of Health and Senior Services for conducting inspections and surveys, and providing training and technical assistance to facilities licensed under the provisions of Chapter 198 of the Missouri Statutes. The transfer is provided for in RSMo 198.418.1.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

RSMo. 198.418.1

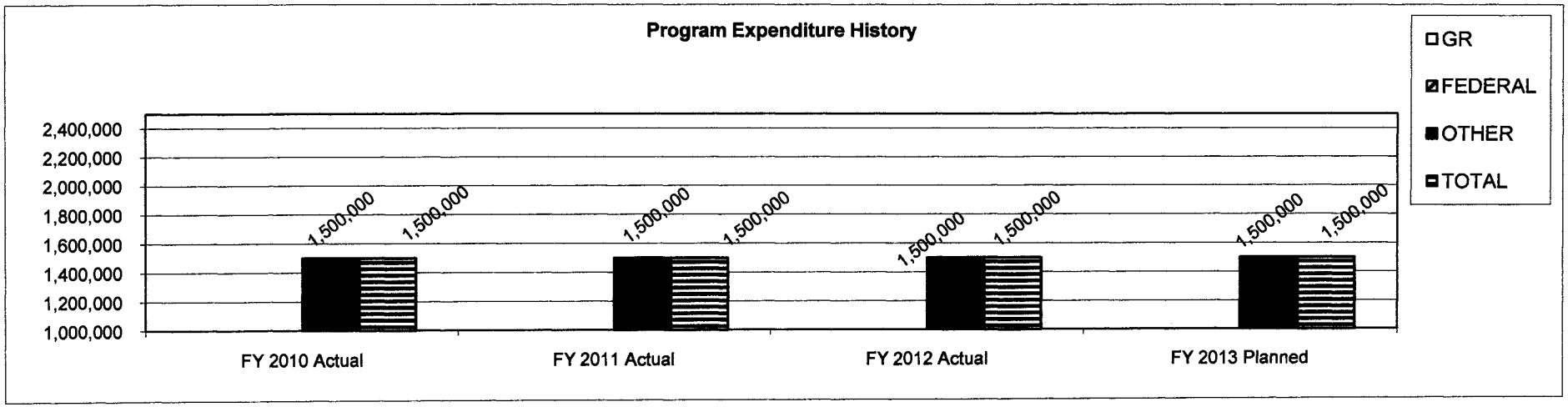
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Nursing Facility Federal Reimbursement Allowance (0196)

7a. Provide an effectiveness measure.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7b. Provide an efficiency measure.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7c. Provide the number of clients/individuals served, if applicable.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

7d. Provide a customer satisfaction measure, if available.

These transfers allow the state to draw federal match for nursing facility services provided by public entities. Measures for nursing facility services are included in the nursing facility section.

DECISION ITEM SUMMARY

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITY FED REIMB AL								
CORE								
PROGRAM-SPECIFIC								
NURSING FACILITY FED REIM ALLW	233,332,359	0.00	301,027,717	0.00	301,027,717	0.00	301,027,717	0.00
TOTAL - PD	233,332,359	0.00	301,027,717	0.00	301,027,717	0.00	301,027,717	0.00
TOTAL	**233,332,359**	**0.00**	**301,027,717**	**0.00**	**301,027,717**	**0.00**	**301,027,717**	**0.00**
GRAND TOTAL	**$233,332,359**	**0.00**	**$301,027,717**	**0.00**	**$301,027,717**	**0.00**	**$301,027,717**	**0.00**

CORE DECISION ITEM

Department: Social Services **Budget Unit: 90567C**
Division: MO HealthNet
Core: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE				
PSD			301,027,717	301,027,717
TRF				
Total			301,027,717	301,027,717
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFFRA) (0196)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE				
PSD			301,027,717	301,027,717
TRF				
Total			301,027,717	301,027,717
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Nursing Facility Federal Reimb Allowance Fund (NFFRA) (0196)

2. CORE DESCRIPTION

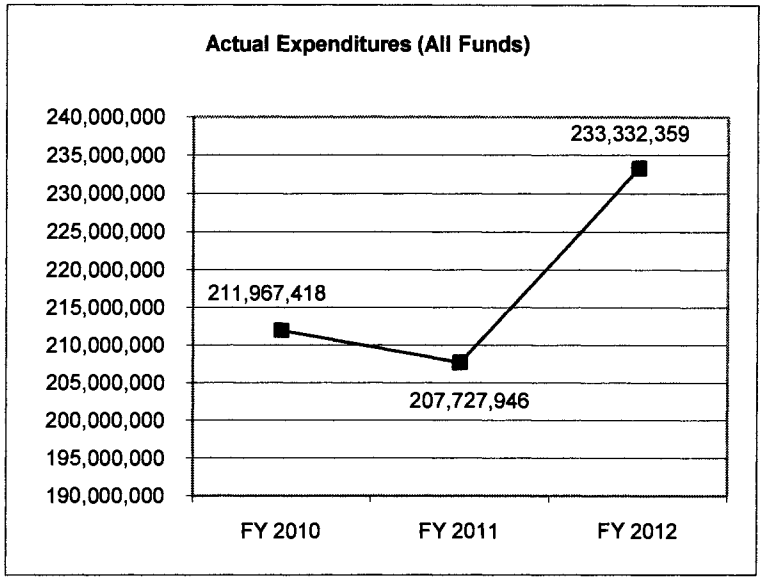
This core request is for ongoing funding for payments for long term care for Title XIX participants. Funds from this core are used to provide enhanced payment rates for improving the quality of patient care using the Nursing Facility Federal Reimbursement Allowance under the Title XIX of the Social Security Act as General Revenue equivalent. Nursing facilities are assessed a provider tax for the privilege of doing business in the state. The assessment is a general revenue equivalent, and when used to make valid Medicaid payments, earns federal dollars. These earnings fund this NFFRA program appropriation.

3. PROGRAM LISTING (list programs included in this core funding)

Nursing Facilities Federal Reimbursement Allowance (NFFRA) Program

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	235,091,756	235,091,756	235,091,755	301,027,717
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	235,091,756	235,091,756	235,091,755	N/A
Actual Expenditures (All Funds)	211,967,418	207,727,946	233,332,359	N/A
Unexpended (All Funds)	23,124,338	27,363,810	1,759,396	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	0	0	0	N/A
Other	23,124,338	27,363,810	1,759,396	N/A
		(1)	(2)	(3)



NOTES:

(1) FY 2011: Agency reserve of $8,788,019 in NFFRA fund.

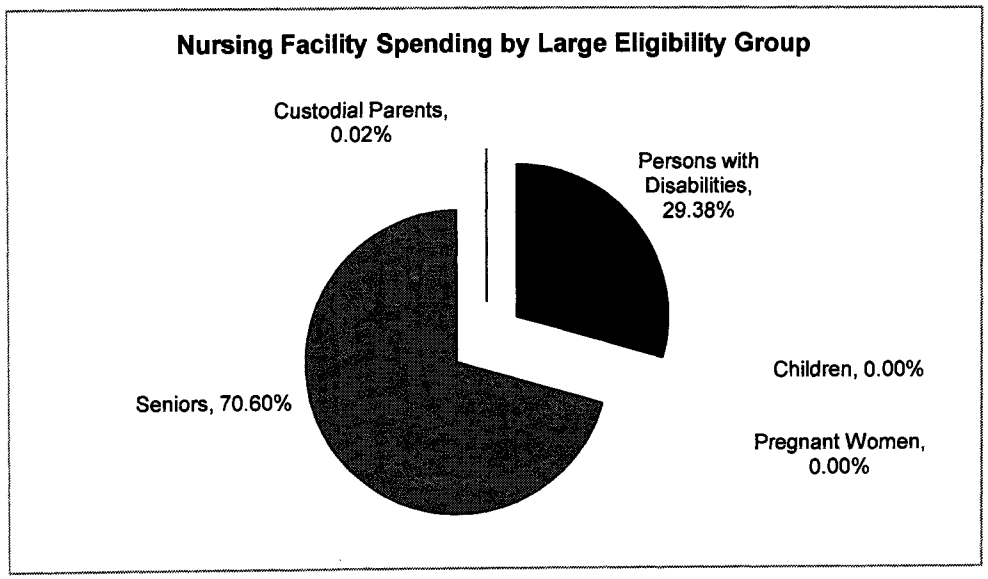
(2) FY 2012: "E" increase due to NFFRA rate increase.

(3) FY 2013: Estimated appropriation or "E" status removed.

4. FINANCIAL HISTORY

Cost Per Eligible - Per Member Per Month (PMPM)					
	*Nursing Facility PMPM**	*Acute Care PMPM*	*Total PMPM*	*Nursing Facility Percentage of Acute*	*Nursing Facility Percentage of Total*
PTD	$136.13	$990.49	$1,691.92	13.74%	8.05%
Seniors	$406.77	$324.66	$1,311.01	125.29%	31.03%
Custodial Parents	$0.21	$439.91	$455.95	0.05%	0.05%
Children*	$0.00	$247.84	$280.12	0.00%	0.00%
Pregnant Women	$0.00	$546.42	$555.64	0.00%	0.00%

Source: Table 23 Medical Statistics for Fiscal Year 2012 (claims paid data). Add-on payments funded from FRA provider tax not included.
** CHIP eligibles not included*



Source: Table 23 Medical Statistics for Fiscal Year 2012 (claims paid data).

The Cost per Eligible - Per Member Per Month (PMPM) table provides the total PMPM for each large eligibility group. Health care entities use per member per month calculations as a benchmark to monitor, assess, and manage health care costs. The PMPM metric provides MHD management with a high level aggregate spending metric.

PMPM is calculated by dividing costs by the number of eligibles enrolled. Since caseload growth is accounted for when determining PMPM, the PMPM provides management with a better tool than just comparing overall increases in spending.

PMPM by eligibility group and type of service serves as a baseline for management to determine if cost control interventions are working as intended. Monitoring PMPM amounts allow tracking by a population so that a shift in services is reflected in one metric.

The PMPM table reflects the PMPM amounts for nursing facilities, acute care, and total. The acute care PMPM is made up of payments for the following services: inpatient, physician/lab/x-ray, outpatient/clinic, drugs, managed care payments, Medicare co-pay/deductibles and other acute services administered by MHD. It does **not** include nursing facilities, in-home services, mental health services and state institutions. By comparing the nursing facility PMPM to the acute care PMPM, MHD management can monitor the progress of interventions controlled by MHD management.

The Spending by Large Eligibility Group (left) shows the percentage of spending by each eligibility group for nursing facilities. It provides a snapshot of what eligibility groups are receiving nursing facility services as well as the populations impacted by program changes.

CORE RECONCILIATION DETAIL

STATE
NURSING FACILITY FED REIMB AL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	0	0	301,027,717	301,027,717	
	Total	**0.00**	**0**	**0**	**301,027,717**	**301,027,717**	
DEPARTMENT CORE REQUEST							
	PD	0.00	0	0	301,027,717	301,027,717	
	Total	**0.00**	**0**	**0**	**301,027,717**	**301,027,717**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	0	0	301,027,717	301,027,717	
	Total	**0.00**	**0**	**0**	**301,027,717**	**301,027,717**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
NURSING FACILITY FED REIMB AL								
CORE								
PROGRAM DISTRIBUTIONS	233,332,359	0.00	301,027,717	0.00	301,027,717	0.00	301,027,717	0.00
TOTAL - PD	**233,332,359**	**0.00**	**301,027,717**	**0.00**	**301,027,717**	**0.00**	**301,027,717**	**0.00**
GRAND TOTAL	**$233,332,359**	**0.00**	**$301,027,717**	**0.00**	**$301,027,717**	**0.00**	**$301,027,717**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$233,332,359**	**0.00**	**$301,027,717**	**0.00**	**$301,027,717**	**0.00**	**$301,027,717**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments
Program is found in the following core budget(s): Nursing Facilities Federal Reimbursement Allowance (NFFRA) Payments

1. What does this program do?

The Nursing Facilities Federal Reimbursement Allowance (NFFRA) program assesses nursing facilities in the state a fee for the privilege of doing business in the state. The funds collected by the state are used to fund the MO HealthNet Nursing Facility program and are used as state match for federal funding. In FY12, approximately 519 nursing facilities were assessed, and an average of 503 nursing facilities participated in the MO HealthNet program and received enhanced reimbursement. In FY 2013, NFFRA will be $12.11 per patient occupancy day and will fund a portion of the nursing facility per dier reimbursement rate.

In FY 1995, the Nursing Facilities Federal Reimbursement Allowance program was implemented as part of a total restructuring of reimbursement for nursing homes. Reimbursement methodologies were changed to develop a cost component system. The components are patient care, ancillary, administration, and capital. A working capital allowance, incentives and the Nursing Facility Reimbursement Allowance (NFFRA) are also elements of the total reimbursement rate. Patient care includes nursing, medical supplies, activities, social services, and dietary costs. Ancillary services are therapies, barber and beauty shop, laundry, and housekeeping. Administration includes plant operation and administrative costs. Capital costs are reimbursed through a fair rental value methodology. The capital component includes five types of costs: rental value, return, computed interest, borrowing costs and pass - through expenses. Property insurance and real estate and personal property taxes (the pass-through expenses) are the only part of the capital component that is trended. The working capital allowance per diem rate is equal to 1.1 months of the total of the facility's per diem rates for the patient care, ancillary and administration cost components multiplied by the prime rate plus 2%. Incentives are paid to encourage patient care expenditures and cost efficiencies in administration. The patient care incentive is 10% of a facility's patient care per diem up to a maximum of 130% of the patient care median. The ancillary incentive is paid to all facilities whose costs are below the ancillary ceiling. The amount is one-half the difference between certain parameters. The multiple component incentive is allowed for facilities whose patient care and ancillary per diem are between 60 - 80% of total per diem and an additional amount is allowed for facilities with high MO HealthNet utilization.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 198.401; Federal law: Social Security Action Section 1903(w); Federal Regulation: 42 CFR 443, Subpart B

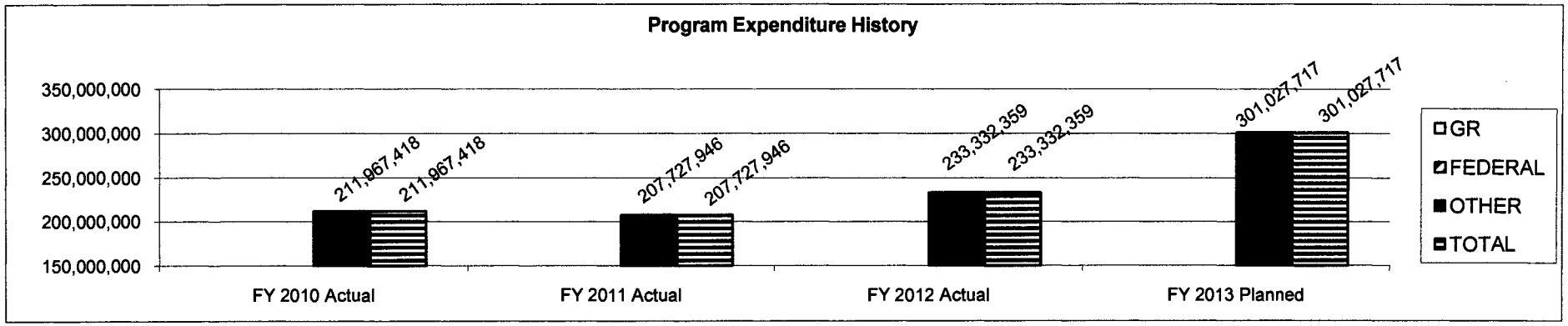
3. Are there federal matching requirements? If yes, please explain.

States can earn the federal medical assistance percentage (FMAP) on MO HealthNet program expenditures made in accordance with the approved State Plan. The Social Security Act requires the Secretary of Health and Human Services to calculate and publish the actual FMAP each year. The FMAP is calculated using economic indicators from states and the nation as a whole. Generally, Missouri's FMAP for FY 13 is a blended 61.89% federal match. The state matching requirement is 38.11%. The nursing facility assessments serve as the general revenue equivalent to earn Medicaid federal reimbursement.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.

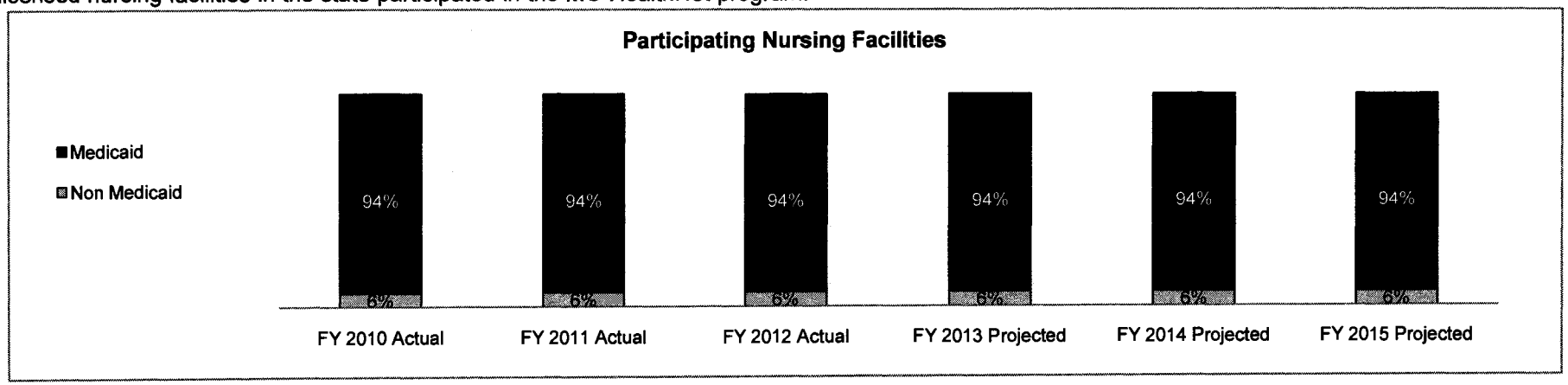


6. What are the sources of the "Other " funds?

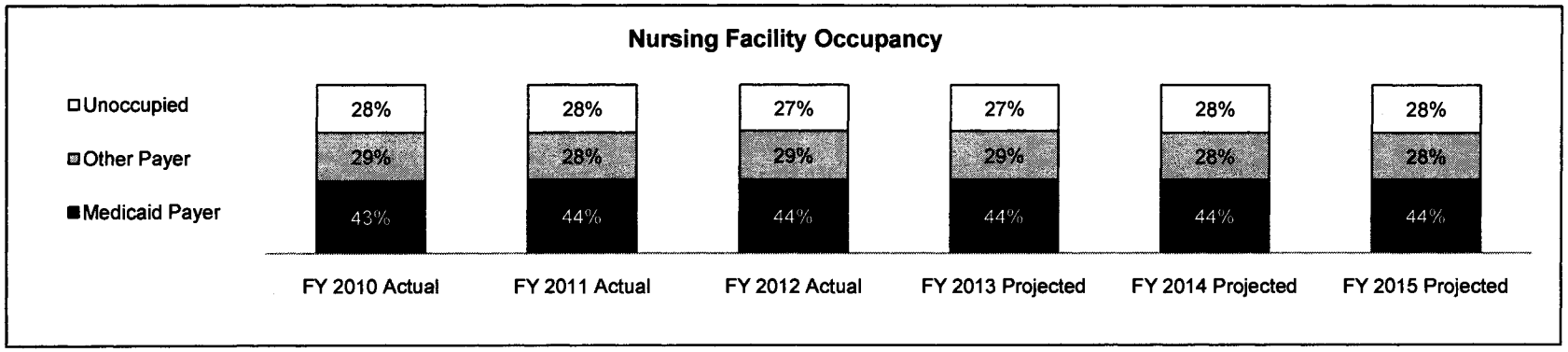
Nursing Facility Federal Reimbursement Allowance Fund (0196)

7a. Provide an effectiveness measure.

Provide reimbursement that is sufficient to ensure nursing facilities enroll in the MO HealthNet program. During the past three state fiscal years, over 90% of licensed nursing facilities in the state participated in the MO HealthNet program.

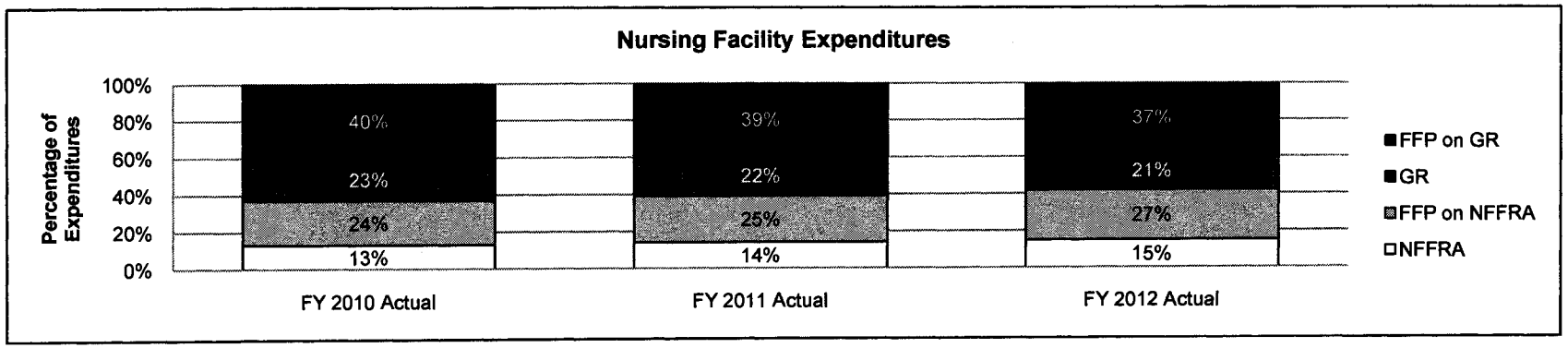


Provide adequate reimbursement to ensure MO HealthNet participants have sufficient access to care. In the past three state fiscal years, at least 26% of nursing facility beds were unoccupied. There are a sufficient number of beds available to care for MO HealthNet participants.



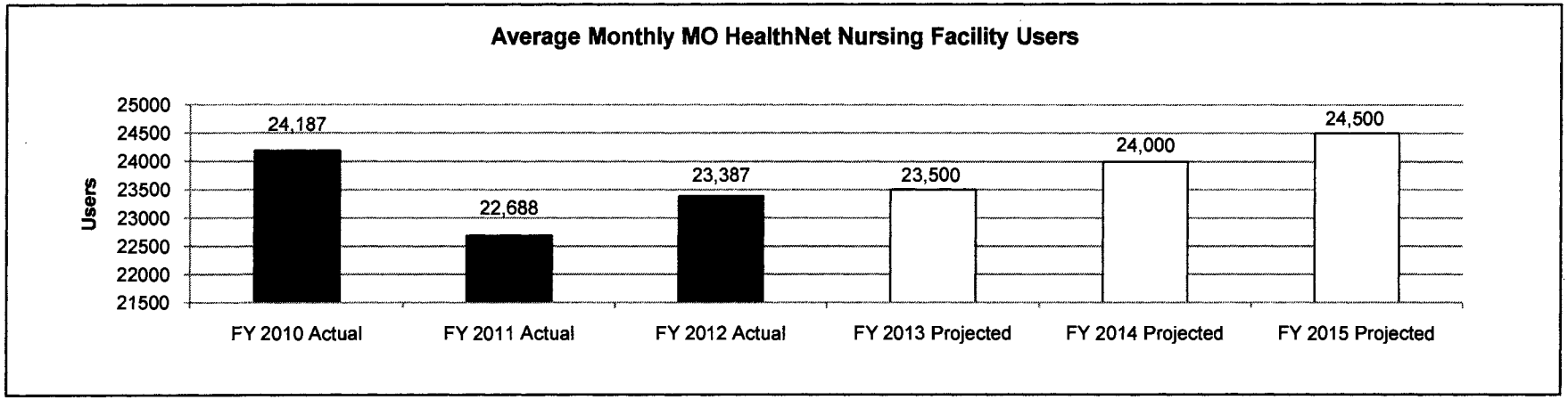
7b. Provide an efficiency measure.

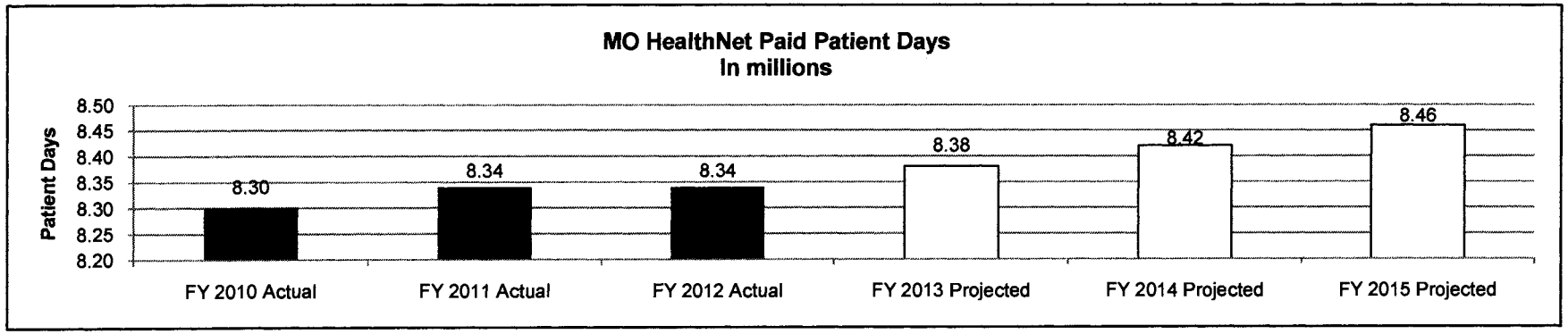
Provide funding for the nursing facility program. During the past three state fiscal years, the nursing facility provider tax and the federal matching funds on the assessment provided at least 35% of nursing facility expenditures. NFFRA allows the state to provide enhanced reimbursements to nursing facilities minimizing the need for general revenue.



7c. Provide the number of clients/individuals served, if applicable.

Nursing Facility Federal Reimbursement Allowance (NFFRA) payments are made on behalf of MO HealthNet eligibles for long-term care services.





7d. Provide a customer satisfaction, if applicable.

N/A

School District Medicaid Claiming

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
SCHOOL DISTRICT CLAIMING								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	69,954	0.00	69,954	0.00	69,954	0.00	69,954	0.00
TITLE XIX-FEDERAL AND OTHER	30,025,564	0.00	54,653,770	0.00	54,653,770	0.00	54,653,770	0.00
TOTAL - PD	30,095,518	0.00	54,723,724	0.00	54,723,724	0.00	54,723,724	0.00
TOTAL	**30,095,518**	**0.00**	**54,723,724**	**0.00**	**54,723,724**	**0.00**	**54,723,724**	**0.00**
GRAND TOTAL	**$30,095,518**	**0.00**	**$54,723,724**	**0.00**	**$54,723,724**	**0.00**	**$54,723,724**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: School District Medicaid Claiming

Budget Unit: 90569C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	69,954	54,653,770		54,723,724	PSD	69,954	54,653,770		54,723,724
TRF					TRF				
Total	69,954	54,653,770		54,723,724	Total	69,954	54,653,770		54,723,724
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

This core request is for the ongoing funding for payments for school-based administrative and school-based EPSDT services.

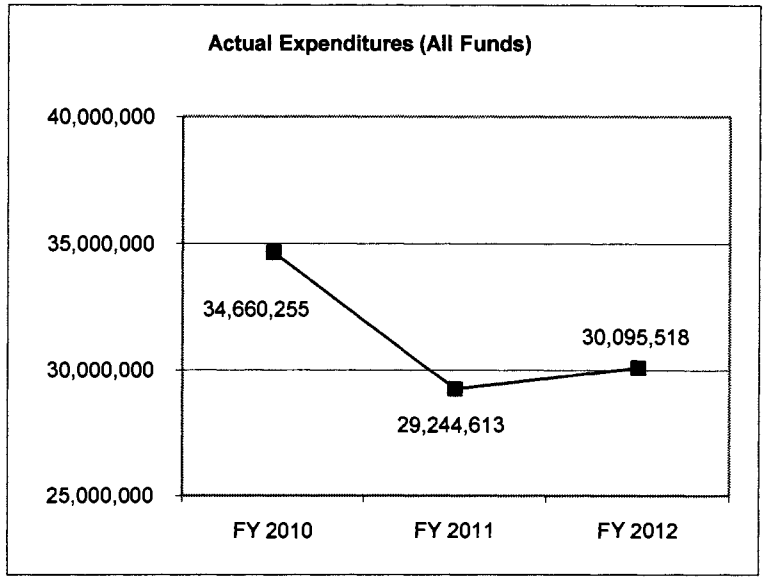
The purpose of the services provided by the school is to ensure a comprehensive, preventative health care program for MO HealthNet eligible children. The program provides early and periodic (EPSDT) medical/dental screenings, diagnosis and treatment to correct or improve defects and chronic conditions found during the screenings.

3. PROGRAM LISTING (list programs included in this core funding)

School-based administrative and school-based EPSDT services.

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)	35,924,908	33,369,908	54,723,724	54,723,724
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	35,924,908	33,369,908	54,723,724	N/A
Actual Expenditures (All Funds)	34,660,255	29,244,613	30,095,518	N/A
Unexpended (All Funds)	1,264,653	4,125,295	24,628,206	N/A
Unexpended, by Fund:				
General Revenue	0	0	0	N/A
Federal	1,264,653	4,125,295	24,628,206	N/A
Other	0	0	0	N/A
	(1)	(2)	(3)	(4)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010:Expenditures of $22,707 were paid from the Supplemental Pool and $3,064 from Physician Related appropriation. "E" increase of $2,555,000.

(2) FY 2011: Expenditures of $65,410 were paid from the Supplemental Pool.

(3) FY 2012: Expenditures of $27,646 were paid from the Supplemental Pool.

(4) FY 2013 Estimated appropriation or "E" status removed.

CORE RECONCILIATION DETAIL

STATE
SCHOOL DISTRICT CLAIMING

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	PD	0.00	69,954	54,653,770	0	54,723,724	
	Total	**0.00**	**69,954**	**54,653,770**	**0**	**54,723,724**	
DEPARTMENT CORE REQUEST							
	PD	0.00	69,954	54,653,770	0	54,723,724	
	Total	**0.00**	**69,954**	**54,653,770**	**0**	**54,723,724**	
GOVERNOR'S RECOMMENDED CORE							
	PD	0.00	69,954	54,653,770	0	54,723,724	
	Total	**0.00**	**69,954**	**54,653,770**	**0**	**54,723,724**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
SCHOOL DISTRICT CLAIMING								
CORE								
PROGRAM DISTRIBUTIONS	30,095,518	0.00	54,723,724	0.00	54,723,724	0.00	54,723,724	0.00
TOTAL - PD	30,095,518	0.00	54,723,724	0.00	54,723,724	0.00	54,723,724	0.00
GRAND TOTAL	$30,095,518	0.00	$54,723,724	0.00	$54,723,724	0.00	$54,723,724	0.00
GENERAL REVENUE	$69,954	0.00	$69,954	0.00	$69,954	0.00	$69,954	0.00
FEDERAL FUNDS	$30,025,564	0.00	$54,653,770	0.00	$54,653,770	0.00	$54,653,770	0.00
OTHER FUNDS	$0	0.00	$0	0.00	$0	0.00	$0	0.00

PROGRAM DESCRIPTION

Department: Social Services
Program Name: School Districts Medicaid Claiming
Program is found in the following core budget(s): School Districts Medicaid Claiming

1. What does this program do?

This core appropriation provides funding for payment for school district administration claiming and school-based EPSDT services consisting of physical, occupational, and speech therapy services, audiology, personal care, private duty nursing, and psychology counseling services identified in an Individualized Education Plan (IEP) for school age children. An interagency agreement is in place between the MO HealthNet Division and participating school districts for administrative claiming. For school based direct services, each school district enrolls with MO HealthNet to provide the most efficient administration of the school-based EPSDT services for children within the school system. The provision of school-based EPSDT services by DESE school districts expands MO HealthNet EPSDT services and has been determined to be an effective method of coordinating services and improving care associated with providing identified services which are medically necessary and covered MO HealthNet services. The federal share of expenditures for these services provided by DESE school districts are being paid through this appropriation.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The authority for this appropriation is the authority associated with the services reflected above.

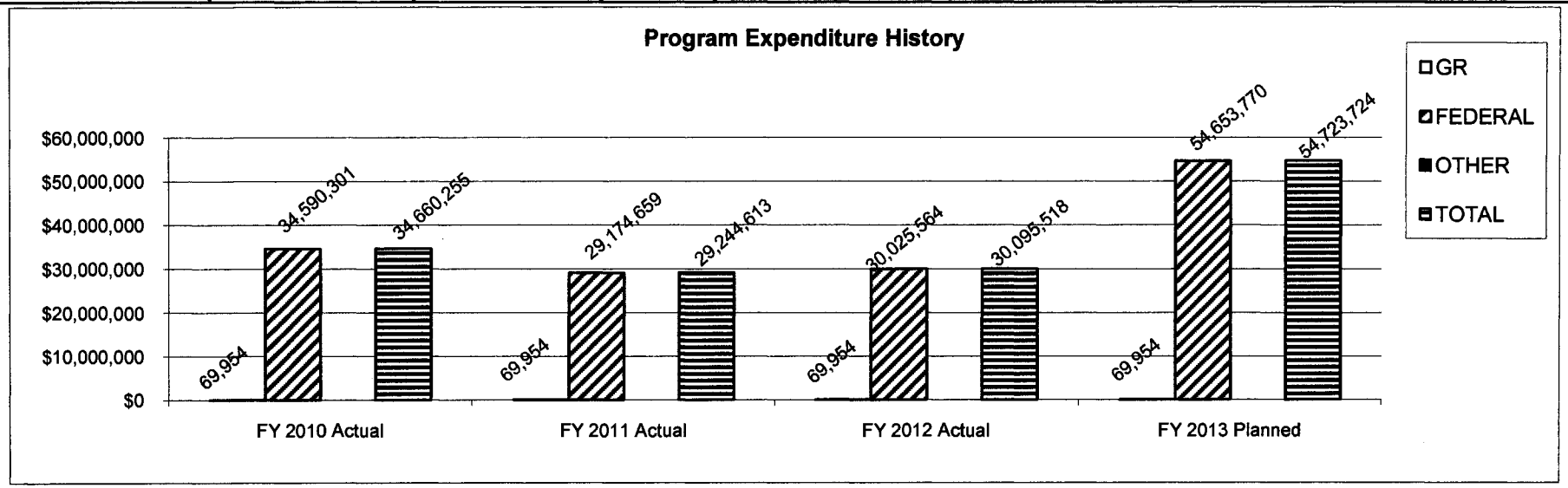
3. Are there federal matching requirements? If yes, please explain.

Medicaid allowable services provided by school districts receive a federal medical assistance percentage (FMAP) on expenditures. Administrative expenditures earn a 50% federal match and the state matching requirement is 50%. Direct services earn Missouri's FMAP. Generally, Missouri's FMAP for FY 13 is a blended 61.89% federal match rate. The state matching requirement is 38.11%.

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



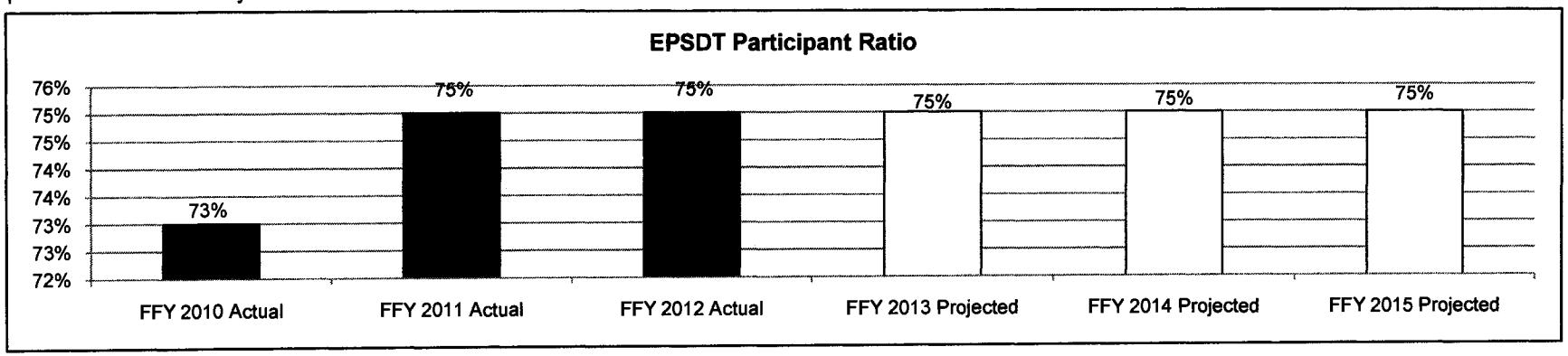
FY 12 actual expenditures do not reflect $27,646 paid from supplemental pool.

6. What are the sources of the "Other " funds?

N/A

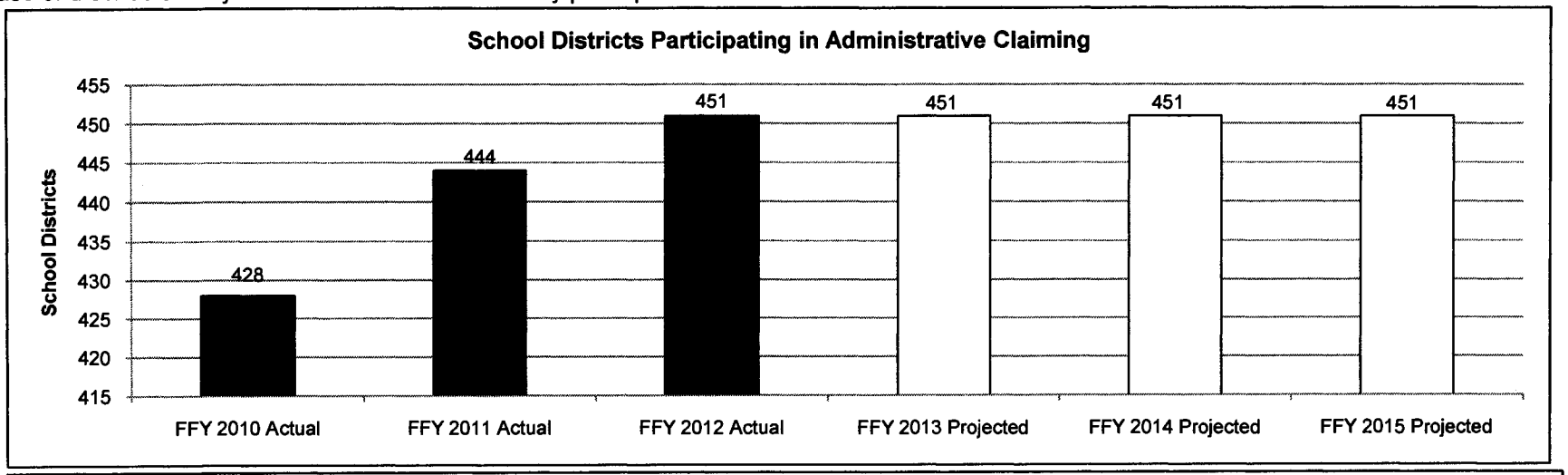
7a. Provide an effectiveness measure.

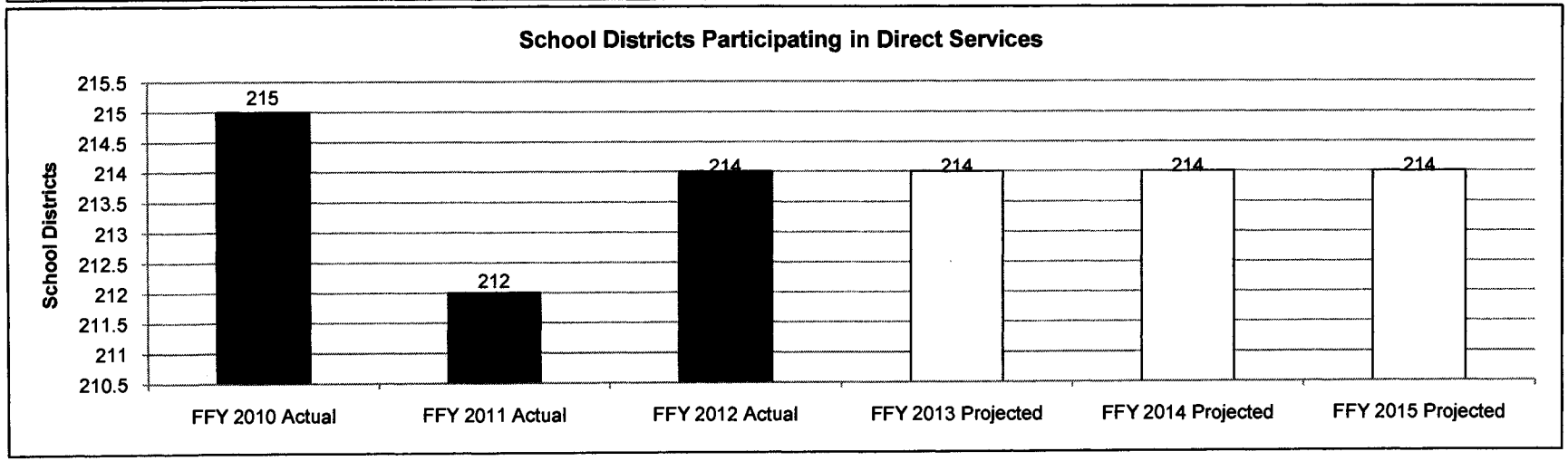
Increase the provision of medically necessary services to MO HealthNet eligible children as provided through EPSDT by 42 CFR 441 Subpart B. The EPSDT participant ratio increased by 2% from FFY 2010 to FFY 2011. The rate for FFY12 is 75%.



Based on federal fiscal year in which report was submitted to CMS.

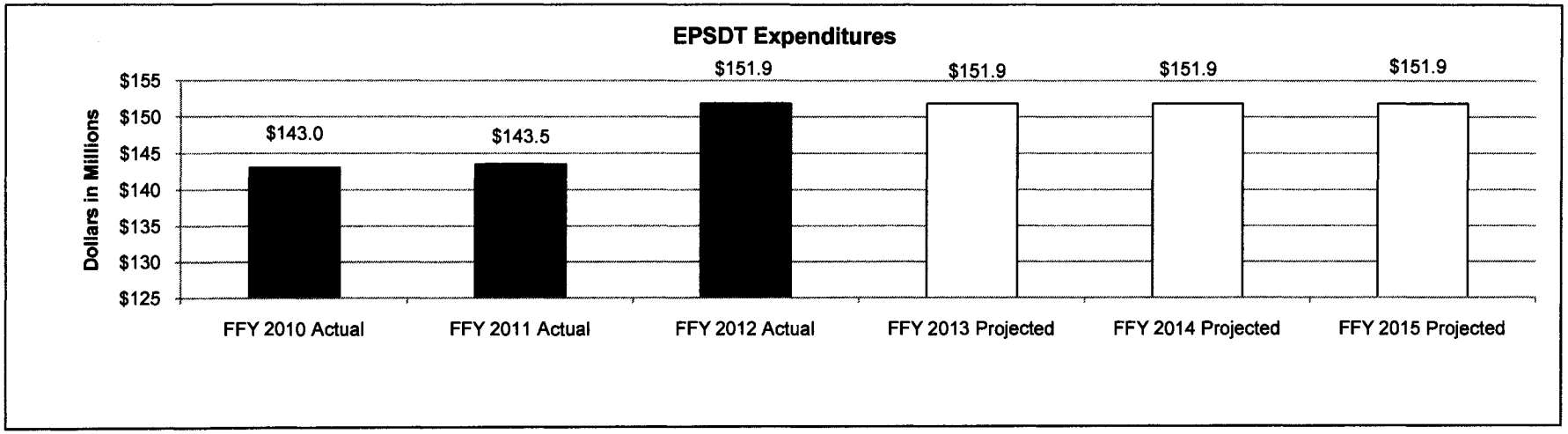
Increase the number of schools participating in administrative claiming and school based services. In SFY 2012 there were 451 schools participating in administrative claiming which is an increase of 7 schools. In SFY 2012, there were 214 school districts participating in school based services which is an increase of 2 schools. Any school district in the state may participate.



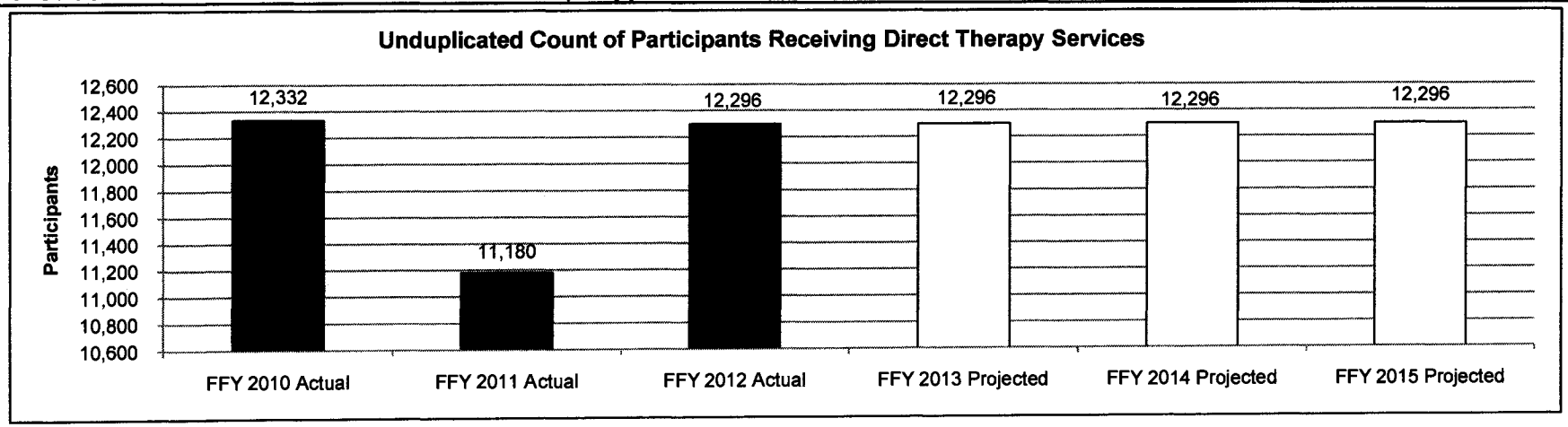


7b. Provide an efficiency measure.

Increase the EPSDT participant ratio while maximizing federal claiming opportunities to benefit local school districts. In SFY 2012, EPSDT expenditures increased approximately 5.87% from SFY 2011 while the EPSDT participant ratio remained unchanged in FFY 2012. SFY12 EPSDT expenditures are $151.9 million.



7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
BLIND PENSION MEDICAL BENEFITS								
CORE								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	6,434,619	0.00	6,434,619	0.00
BLIND PENSION PREMIUM	0	0.00	0	0.00	0	0.00	0	0.00
BLIND PENSION HEALTHCARE	0	0.00	0	0.00	0	0.00	0	0.00
TOTAL - PD	0	0.00	0	0.00	6,434,619	0.00	6,434,619	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**6,434,619**	**0.00**	**6,434,619**	**0.00**
Medicaid GR Pickup - 1886011								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	21,678,296	0.00	21,678,296	0.00
TOTAL - PD	0	0.00	0	0.00	21,678,296	0.00	21,678,296	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**21,678,296**	**0.00**	**21,678,296**	**0.00**
Pharmacy PMPM Increase - 1886018								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	642,178	0.00	642,178	0.00
TOTAL - PD	0	0.00	0	0.00	642,178	0.00	642,178	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**642,178**	**0.00**	**642,178**	**0.00**
Transitional Medicaid - 1886028								
PROGRAM-SPECIFIC								
GENERAL REVENUE	0	0.00	0	0.00	0	0.00	(627,067)	0.00
TOTAL - PD	0	0.00	0	0.00	0	0.00	(627,067)	0.00
TOTAL	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**(627,067)**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$28,755,093**	**0.00**	**$28,128,026**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: Blind Pension Medical

Budget Unit: 90165C

1. CORE FINANCIAL SUMMARY

	FY 2014 Budget Request					FY 2014 Governor's Recommendation			
	GR	Federal	Other	Total		GR	Federal	Other	Total
PS					PS				
EE					EE				
PSD	6,434,619		0	6,434,619	PSD	6,434,619		0	6,434,619
TRF					TRF				
Total	6,434,619		0	6,434,619	Total	6,434,619		0	6,434,619
FTE				0.00	FTE				0.00
Est. Fringe	0	0	0	0	*Est. Fringe*	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds:

2. CORE DESCRIPTION

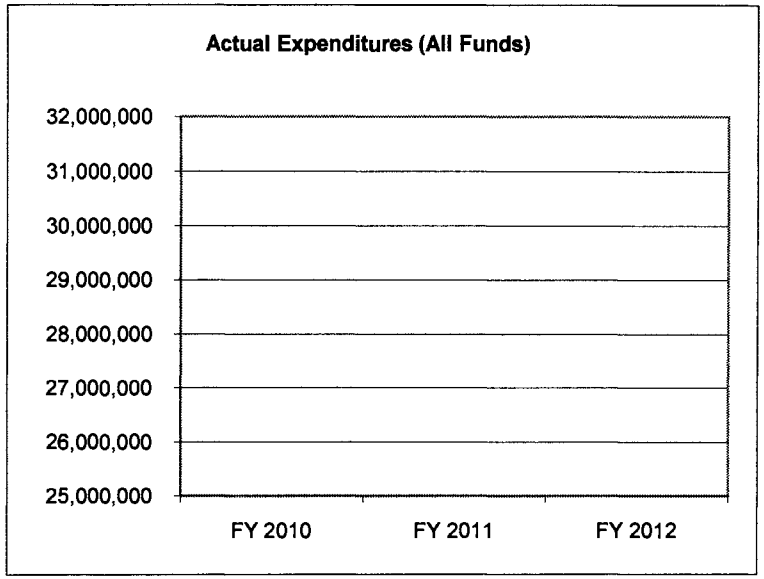
This core funds a state only health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid. The FY 2014 request transfers the Blind Pension Medical section from the Family Support Division to the MO HealthNet Division.

3. PROGRAM LISTING (list programs included in this core funding)

Blind Pension Medical

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Current Yr.
Appropriation (All Funds)				0
Less Reverted (All Funds)				N/A
Budget Authority (All Funds)	0	0	0	N/A
Actual Expenditures (All Funds)				N/A
Unexpended (All Funds)	0	0	0	N/A
Unexpended, by Fund:				
General Revenue				N/A
Federal				N/A
Other				N/A
	(1)	(1)	(1)	(2)



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary expenditure restrictions.

NOTES:

(1) FY 2010 -FY 2012: This section resided in State Medical.

(2) FY 2013: Blind Pension Medical was located in the Family Service Division

STATE
BLIND PENSION MEDICAL BENEFITS

5. CORE RECONCILIATION DETAIL

		Budget Class	FTE	GR	Federal	Other	Total	Explanation
DEPARTMENT CORE ADJUSTMENTS								
Core Reduction	1734 8454	PD	0.00	0	0	(18,045,720)	(18,045,720)	Core reduction of Blind Medical. Coresponding GR pickup NDI.
Core Reduction	1734 8453	PD	0.00	0	0	(3,632,576)	(3,632,576)	Core reduction of Blind Medical. Coresponding GR pickup NDI.
Core Reallocation	1618 8416	PD	0.00	1,434,619	0	0	1,434,619	Core reallocation from FSD after Pharmacy FRA fund swap.
Core Reallocation	1619 8453	PD	0.00	0	0	3,632,576	3,632,576	Core reallocation from FSD
Core Reallocation	1619 8454	PD	0.00	0	0	18,045,720	18,045,720	Core reallocation from FSD
Core Reallocation	1619 8416	PD	0.00	5,000,000	0	0	5,000,000	Core reallocation from FSD
NET DEPARTMENT CHANGES			**0.00**	**6,434,619**	**0**	**0**	**6,434,619**	
DEPARTMENT CORE REQUEST								
		PD	0.00	6,434,619	0	0	6,434,619	
		Total	**0.00**	**6,434,619**	**0**	**0**	**6,434,619**	
GOVERNOR'S RECOMMENDED CORE								
		PD	0.00	6,434,619	0	0	6,434,619	
		Total	**0.00**	**6,434,619**	**0**	**0**	**6,434,619**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
BLIND PENSION MEDICAL BENEFITS								
CORE								
PROGRAM DISTRIBUTIONS	0	0.00	0	0.00	6,434,619	0.00	6,434,619	0.00
TOTAL - PD	**0**	**0.00**	**0**	**0.00**	**6,434,619**	**0.00**	**6,434,619**	**0.00**
GRAND TOTAL	**$0**	**0.00**	**$0**	**0.00**	**$6,434,619**	**0.00**	**$6,434,619**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$6,434,619**	**0.00**	**$6,434,619**	**0.00**
FEDERAL FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
OTHER FUNDS	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: Blind Pension Medical
Program is found in the following core budget(s): Blind Pension Medical

1. What does this program do?

The Blind Pension Medical program provides a state only funded health care benefit for Blind Pension participants who do not qualify for Title XIX Medicaid. Recipients of the Blind Pension Medical program qualify for the Blind Pension benefit provided for in law (ref. Missouri Constitution, Article III,Section 38 (b)). Eligibility requirements for the program follow:

- 18 years of age or older;
- Lives in Missouri and intends to remain;
- United States citizen or eligible non-citizen;
- Has not given away, sold, or transferred real or personal property in order to be eligible for Blind Pension;
- Single, or married and living with spouse, and does not own real or personal property worth more than $20,000. In determining the value of the property, the following is not considered: the home in which the blind person lives, clothing, furniture, household equipment, personal jewelry, or any property used directly by the blind person in earning a living.
- Is of good moral character;
- Has no sighted spouse living in Missouri who can provide support;
- Does not publicly solicit alms;
- Is determined to be totally blind as defined by law (up to 5/200 or visual field of less than 5 degrees);
- Is willing to have a medical treatment or an operation to cure their blindness, unless they are 75 years old or older;
- Is not a resident of a public, private, or endowed institution except a public medical institution;
- Is found to be ineligible for Supplemental Aid to the Blind; and
- Is found ineligible to receive federal Supplemental Security Income benefits.
- **NOTE**: There is no income test for Blind Pension.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

State statute: RSMo. 208.151, 208.152

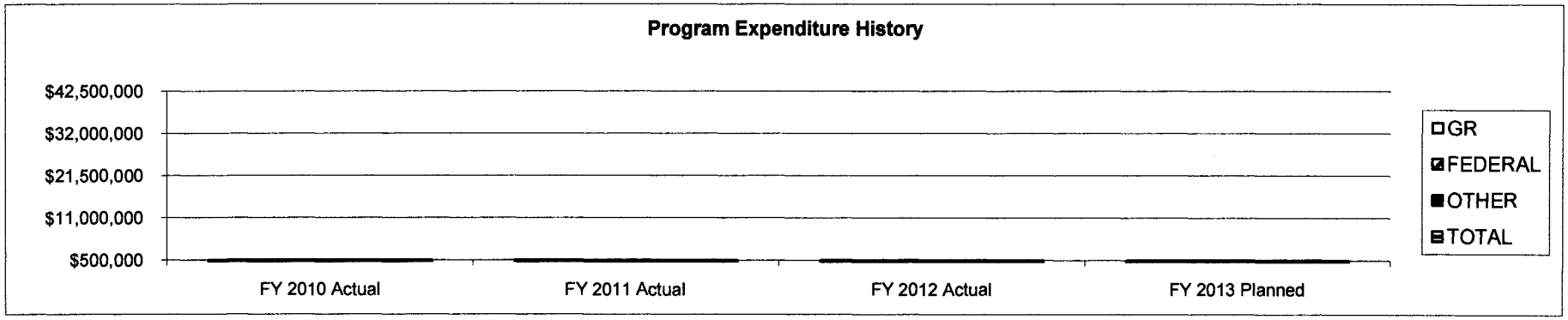
3. Are there federal matching requirements? If yes, please explain.

No.

4. Is this a federally mandated program? If yes, please explain.

No.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



FY 2013 is net of reverted. Reverted: $150,000 General Revenue.

6. What are the sources of the "Other " funds?

Pharmacy Federal Reimbursement Allowance Fund (0144); (0726) Blind Pension Healthcare; (0725) Blind Pension Premium.

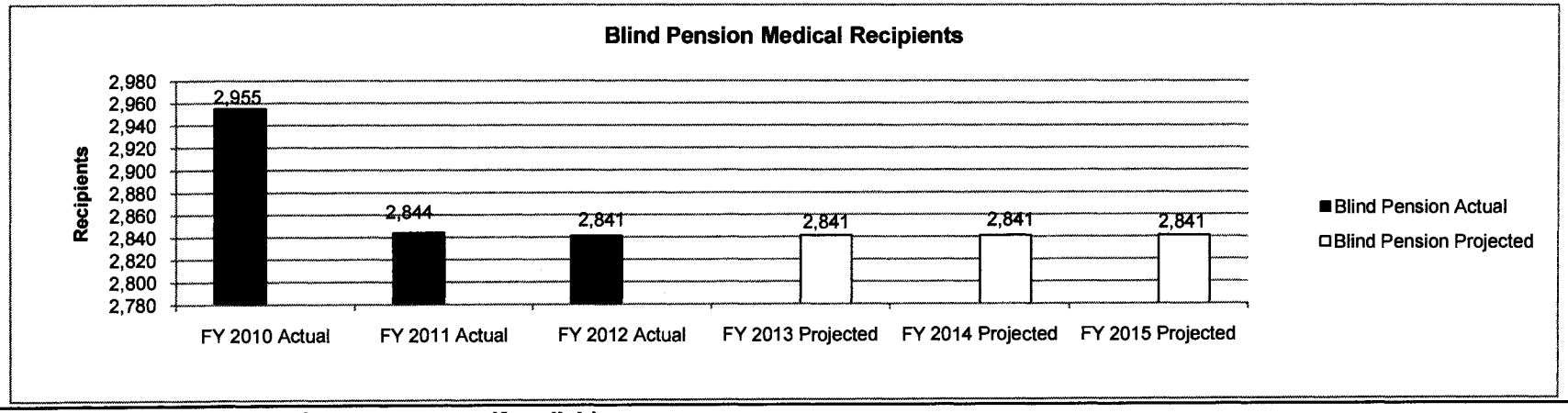
7a. Provide an effectiveness measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures for the Blind Pension Medical appropriation are incorporated into fee-for-service program sections.

7b. Provide an efficiency measure.

This appropriation represents a group of eligibles and not just one program. Effectiveness measures for the Blind Pension Medical appropriation are incorporated into fee-for-service program sections.

7c. Provide the number of clients/individuals served, if applicable.



7d. Provide a customer satisfaction measure, if available.

N/A

MO Healthnet
Supplemental Pool

Budget Unit Decision Item Budget Object Summary Fund	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HLTHNET SUPP POOL								
CORE								
EXPENSE & EQUIPMENT								
TITLE XIX-FEDERAL AND OTHER	0	0.00	1,555,525	0.00	1,555,525	0.00	1,555,525	0.00
THIRD PARTY LIABILITY COLLECT	1,530	0.00	1,292,625	0.00	1,292,625	0.00	1,292,625	0.00
TOTAL - EE	1,530	0.00	2,848,150	0.00	2,848,150	0.00	2,848,150	0.00
PROGRAM-SPECIFIC								
TITLE XIX-FEDERAL AND OTHER	2,966,748	0.00	22,551,961	0.00	22,551,961	0.00	22,551,961	0.00
THIRD PARTY LIABILITY COLLECT	3,021,355	0.00	6,278,531	0.00	6,278,531	0.00	6,278,531	0.00
NURSING FACILITY FED REIM ALLW	0	0.00	181,500	0.00	181,500	0.00	181,500	0.00
PREMIUM	2,331,330	0.00	3,837,940	0.00	3,837,940	0.00	3,837,940	0.00
TOTAL - PD	8,319,433	0.00	32,849,932	0.00	32,849,932	0.00	32,849,932	0.00
TOTAL	**8,320,963**	**0.00**	**35,698,082**	**0.00**	**35,698,082**	**0.00**	**35,698,082**	**0.00**
GRAND TOTAL	**$8,320,963**	**0.00**	**$35,698,082**	**0.00**	**$35,698,082**	**0.00**	**$35,698,082**	**0.00**

CORE DECISION ITEM

Department: Social Services
Division: MO HealthNet
Core: MO HealthNet Supplemental Pool

Budget Unit: 90582C

1. CORE FINANCIAL SUMMARY

FY 2014 Budget Request

	GR	Federal	Other	Total
PS				
EE		1,555,525	1,292,625	2,848,150
PSD		22,551,961	10,297,971	32,849,932
TRF				
Total		24,107,486	11,590,596	35,698,082
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Premium Fund (0885)
Third Party Liability Collections (TPL) (0120)
Nursing Facility Federal Reimbursement Allowance (NFRA) (0196)

FY 2014 Governor's Recommendation

	GR	Federal	Other	Total
PS				
EE		1,555,525	1,292,625	2,848,150
PSD		22,551,961	10,297,971	32,849,932
TRF				
Total		24,107,486	11,590,596	35,698,082
FTE				0.00
Est. Fringe	0	0	0	0

Note: Fringes budgeted in House Bill 5 except for certain fringes budgeted directly to MoDOT, Highway Patrol, and Conservation.

Other Funds: Premium Fund (0885)
Third Party Liability Collections (TPL) (0120)
Nursing Facility Federal Reimbursement Allowance (NFRA) (0196)

2. CORE DESCRIPTION

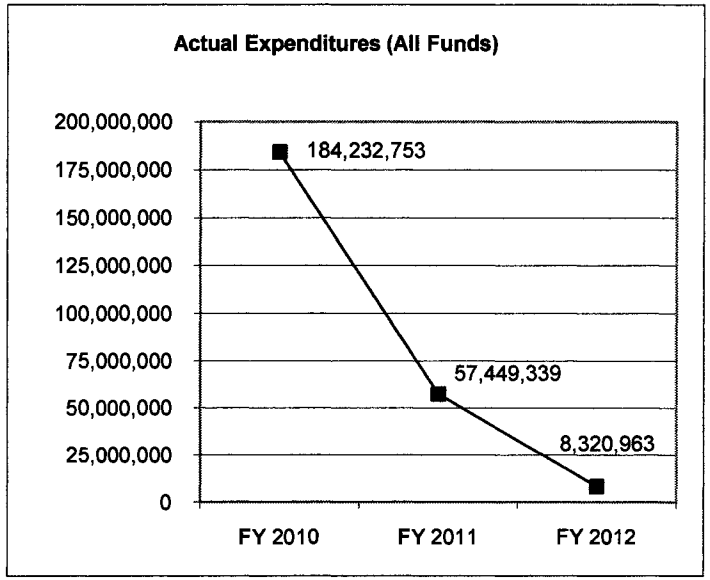
This core request is for the continued funding of the Mo HealthNet Supplemental Pool. The Supplemental Pool is needed to enable the division to respond to unanticipated changes in the cost of providing health care to MO HealthNet participants.

3. PROGRAM LISTING (list programs included in this core funding)

Supports MO HealthNet Program

4. FINANCIAL HISTORY

	FY 2010 Actual	FY 2011 Current Yr.	FY 2012 Current Yr.	FY 2013 Current Yr.
Appropriation (All Funds)	236,371,043	156,102,833	35,698,083	35,698,082
Less Reverted (All Funds)	0	0	0	N/A
Budget Authority (All Funds)	236,371,043	156,102,833	35,698,083	N/A
Actual Expenditures (All Funds)	184,232,753	57,449,339	8,320,963	N/A
Unexpended (All Funds)	52,138,290	98,653,494	27,377,120	N/A
Unexpended, by Fund:				
General Revenue	0	28,512,775	0	N/A
Federal	48,496,356	69,959,217	21,140,738	N/A
Other	3,641,934	181,502	6,236,382	N/A
	(1)	(2)		



Reverted includes Governor's standard 3 percent reserve (when applicable) and any extraordinary withholdings.

NOTES:

(1) FY 2010: Supplemental appropriation authority increase: Federal $107,782,467; Federal Budget Stabilization $77,490,492; Uncompensated Care Fund $700,000; Pharmacy Rebates $5,700,000 and Life Science Research Funds $9,000,000.
(Lapsed $39,237,171 in Federal, $9,259,280 in Federal Budget Stabilization, $2,917,873 in Pharmacy Rebates, $181,500 in NFFRA and $528,093 in Premiums.)

(2) FY 2011: Supplemental appropriation authority increase: General Revenue $47,359,237; Federal $63,145,512; Health Initiatives Fund $9,900,000.
(Lapsed $28,512,775 in General Revenue, $69,959,217 in Federal and $181,500 in NFFRA.)

4. FINANCIAL HISTORY

Supplemental Pool Payments By Services

	FY 2010	FY 2011	FY 2012
Pharmacy	$10,759,974	$27,365,119	$0
Physician Related Services	$89,692,366	$0	$7,209,766
Medicals	$2,846,935	$0	$0
Dental	$2,523,921	$0	$0
Premium Payments	$7,214,660	$0	$0
Home Health	$81,493	$115,201	$0
PACE	$0	$194,408	$574,068
Rehab & Specialty Services	$15,916,437	$461,393	$377,280
NEMT	$0	$122,694	$0
Hospital Care	$32,443,758	$21,899,226	$0
Managed Care	$17,865,128	$4,718,851	$0
Women's Health (1115 Waiver)	$102,666	$569,812	$0
CHIP	$0	$1,937,225	$132,203
DESE Services	$22,707	$65,410	$27,646
State Medical	$1,294,780	$0	$0
In-Home Care (DHSS)	$2,683,370	$0	$0
Other Misc	$619,127	$0	$0
Residential Treatment Service	$165,251	$0	$0
Total	$184,232,573	$57,449,339	$8,320,963

CORE RECONCILIATION DETAIL

STATE
MO HLTHNET SUPP POOL

5. CORE RECONCILIATION DETAIL

	Budget Class	FTE	GR	Federal	Other	Total	Explanation
TAFP AFTER VETOES							
	EE	0.00	0	1,555,525	1,292,625	2,848,150	
	PD	0.00	0	22,551,961	10,297,971	32,849,932	
	Total	**0.00**	**0**	**24,107,486**	**11,590,596**	**35,698,082**	
DEPARTMENT CORE REQUEST							
	EE	0.00	0	1,555,525	1,292,625	2,848,150	
	PD	0.00	0	22,551,961	10,297,971	32,849,932	
	Total	**0.00**	**0**	**24,107,486**	**11,590,596**	**35,698,082**	
GOVERNOR'S RECOMMENDED CORE							
	EE	0.00	0	1,555,525	1,292,625	2,848,150	
	PD	0.00	0	22,551,961	10,297,971	32,849,932	
	Total	**0.00**	**0**	**24,107,486**	**11,590,596**	**35,698,082**	

Budget Unit Decision Item Budget Object Class	FY 2012 ACTUAL DOLLAR	FY 2012 ACTUAL FTE	FY 2013 BUDGET DOLLAR	FY 2013 BUDGET FTE	FY 2014 DEPT REQ DOLLAR	FY 2014 DEPT REQ FTE	FY 2014 GOV REC DOLLAR	FY 2014 GOV REC FTE
MO HLTHNET SUPP POOL								
CORE								
PROFESSIONAL SERVICES	0	0.00	2,848,150	0.00	2,848,150	0.00	2,848,150	0.00
MISCELLANEOUS EXPENSES	1,530	0.00	0	0.00	0	0.00	0	0.00
TOTAL - EE	**1,530**	**0.00**	**2,848,150**	**0.00**	**2,848,150**	**0.00**	**2,848,150**	**0.00**
PROGRAM DISTRIBUTIONS	8,319,433	0.00	32,849,932	0.00	32,849,932	0.00	32,849,932	0.00
TOTAL - PD	**8,319,433**	**0.00**	**32,849,932**	**0.00**	**32,849,932**	**0.00**	**32,849,932**	**0.00**
GRAND TOTAL	**$8,320,963**	**0.00**	**$35,698,082**	**0.00**	**$35,698,082**	**0.00**	**$35,698,082**	**0.00**
GENERAL REVENUE	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**	**$0**	**0.00**
FEDERAL FUNDS	**$2,966,748**	**0.00**	**$24,107,486**	**0.00**	**$24,107,486**	**0.00**	**$24,107,486**	**0.00**
OTHER FUNDS	**$5,354,215**	**0.00**	**$11,590,596**	**0.00**	**$11,590,596**	**0.00**	**$11,590,596**	**0.00**

PROGRAM DESCRIPTION

Department: Social Services
Program Name: MO HealthNet Supplemental Pool
Program is found in the following core budget(s): MO HealthNet Supplemental Pool

1. What does this program do?

Provides funding for the division to respond to unanticipated changes in the cost of providing health care to MO HealthNet participants.

The MO HealthNet Supplemental Pool Section was the result of the unpredictability of health care and participant caseload costs. Substantial supplemental budget requests in successive years prompted the Missouri state legislature to appropriate funding for unanticipated MO HealthNet expenditures. Typically, the supplemental pool has been utilized by the legislature to appropriate funding under certain unique circumstances. These include funding for major one-time program expenditures, such as residual claims, and funding to be made available for unanticipated fee-for-service and/or managed care expenditures.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

The legal authority for the Supplemental Pool is the authority associated with each MO HealthNet program. See each program description for the specific federal and state authority.

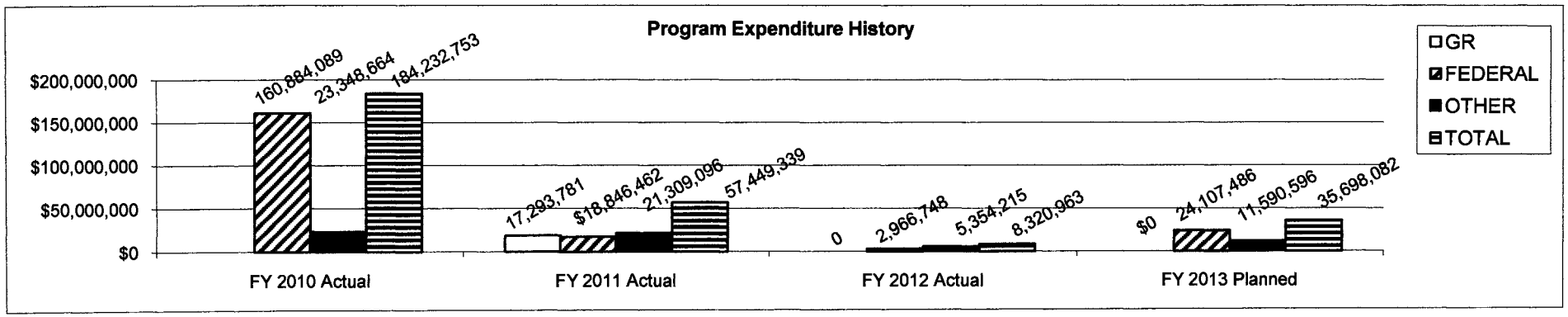
3. Are there federal matching requirements? If yes, please explain.

The federal matching requirements for the MO HealthNet Supplemental Pool are the requirements associated with any of the MO HealthNet programs paid from the supplemental pool. See each program description for specific federal matching requirements.

4. Is this a federally mandated program? If yes, please explain.

The MO HealthNet Supplemental Pool supports both mandated and non-mandated programs. See each program description for specifics.

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Third Party Liability Collections Fund (0120), Premium Fund (0885), Nursing Facility Federal Reimbursement Allowance Fund (0196).

7a. Provide an effectiveness measure.

This appropriation represents a group of eligibles and not one program. Effectiveness measures affecting the MO HealthNet Supplemental Pool appropriation are incorporated into fee-for-service program sections.

7b. Provide an efficiency measure.

This appropriation represents a group of eligibles and not one program. Efficiency measures affecting the MO HealthNet Supplemental Pool appropriation are incorporated into fee-for-service program sections.

7c. Provide the number of clients/individuals served, if applicable.

Supplemental Pool Expenditures		
SFY	Projected	Actual
2010	$35.7 mil	$184.2 mil
2011	$35.7 mil	$62.5 mil
2012	$35.7 mil	$70.4 mil
2013	$36.2 mil	
2014	$36.2 mil	
2015	$36.2 mil	

7d. Provide a customer satisfaction measure, if available.

N/A